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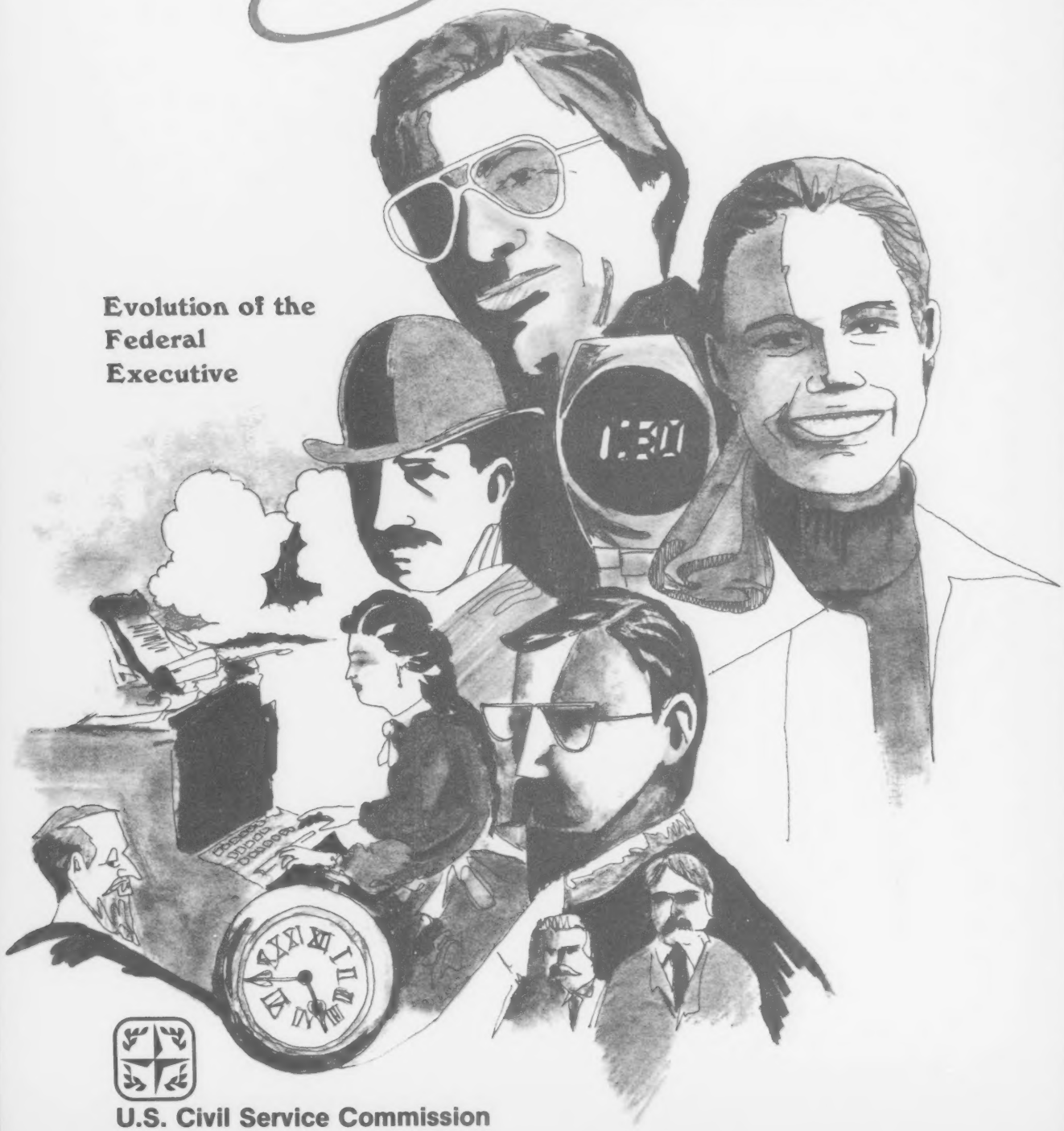

Evolution of the Federal Executive

U.S. Civil Service Commission

Civil Service Reorganization: The Manager's Role

President Carter's plans to reorganize the U.S. Civil Service Commission and to consolidate Federal labor relations functions into a single agency were approved August 11.

The reorganization replaces the present CSC with two agencies, separating its inherent conflicting responsibilities. The plan will be put into effect on or before January 1, 1979.

Office of Personnel Management

The OPM will be charged with the positive personnel management task of government—such as recruiting and examining, training, job classification, personnel investigations, evaluation of agency personnel programs, employee productivity, and pay and benefits administration. Its Director, appointed by the President and confirmed by the Senate, will be responsible for administering Federal personnel matters except for Presidential appointees.

Merit Systems Protection Board

The MSPB will be the successor agency to the Civil Service Commission and will assume the responsibilities of that agency for protecting the merit system and deciding employee appeals. The Board will be headed by a bipartisan panel of three members appointed to six-year, staggered terms.

The plan creates, within the Board, a Special Counsel to investigate and prosecute political abuses and merit systems violations. Under the civil service reform legislation now being considered by the Congress, the Counsel would have power to prevent reprisals against so-called "whistle-blowers." The Counsel will be appointed by the President and confirmed by the Senate.

Federal Labor Relations Authority

The FLRA will consolidate the central policy-making functions in labor-management relations now divided between the part-time Federal Labor Relations Council and the Assistant Secretary of Labor for Labor-Management Relations. The Authority will be composed of three full-time members appointed by the President with the advice and consent of the Senate. Its General Counsel, also appointed by the President with Senate confirmation, will present unfair labor practice complaints before the Authority. The plan also provides for continuance of the Federal Service Impasses Panel within the Authority to resolve negotiating impasses between Federal employee unions and agencies.

The *Journal,* too, is in transition, with a new name under consideration and a new purpose forthcoming.

Much of what the *Journal* is to be will depend on its readers—your changing needs for managerial direction and for a forum in which to share your critical views, your successes, your problems. We invite your participation on all levels.

Next year the *Journal* will begin its twentieth year of publication. It seems appropriate that the lead author in volume 1, number 1, was Roger Jones, who appears again in this issue. Throughout an illustrious Government career that began in 1933, Jones has demonstrated a unique ability to size up the Federal service with an objectivity and candor that we need during times of change. In that first *Journal* he said that a source of power in the public service is the "know-how of the experienced career administrator." He reaffirms this belief and adds new dimensions to his definition of the career executive in the present article.

Now defined, the career executive stands poised and waiting to plunge into changing times that will further define his or her place in Government management.

CIVIL SERVICE

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Manuscripts submitted for publication should be typed double spaced, preferred length 7-10 pages, with working title and brief author information. Suggested coverage includes program successes and failures; informed, critical opinion; how-to-manage innovations.

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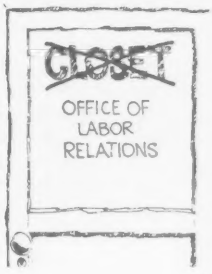

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Shot Takes

Hiring Down, But Expected to Rise: Recent Federal hiring from eligibility lists has been well below normal (157,000 in 1977 compared to an average 192,000 yearly for the past 10 years). About 167,000 new hires are expected by the end of 1978. Increased hiring is expected due to turnover, more employees eligible for retirement, and the impact of reorganization on retirement. Due to intense job competition, CSC is accepting applications only for occupations in which agencies anticipate a need, and for which CSC has an inadequate supply of quality eligibles.

Improved Senior-Level Job Procedures: If you're looking for a GS-14 or 15 job, your search should now be easier. The Civil Service Commission has changed its procedures to provide better information about job openings at those grade levels. Under the former system, applicants could either apply for a specific job (if they knew of it) or apply for general consideration for any vacancy at that level. It was difficult for job-seekers to find out about individual openings and make a specific application. When an agency did notify CSC of a vacancy, there often were hundreds of people on CSC's register, many of whom were not interested in that particular vacancy. There was a great deal of paperwork in trying to identify the most qualified people who wanted that job. Under the new procedures, when agencies notify CSC of GS-14 and 15 openings, CSC will post this information in Senior-Level Recruiting Bulletins at its Job Information Centers across the country. The bulletins will specify the duties of the position, qualifications required, filing period, and how to apply. Applicants will apply for a specific position, and will no longer be able to apply for general consideration at those grade levels. Applications for GS-13 and below jobs will continue to be processed under the current procedures, since there are too many openings for new procedures to be feasible.

Life Insurance Gets Cheaper: Prices may be going up, but not for Federal Employees Group Life Insurance (FEGLI). Major cuts have been made in premiums for both regular and optional life insurance. The new rates took effect with the first pay period starting after August 31, 1978. The cost to employees for regular insurance (formerly 35.5 cents every 2 weeks per $1,000 of insurance) dropped to 25.5 cents. Reductions in insurance were as follows: Under age 35, from $.80 to $.60; ages 35 to 39, from $1.20 to $1.00; ages 40 to 44, from $1.90 to $1.70; ages 45 to 49, from $2.90 to $2.40; ages 50 to 54, from $4.50 to $3.50; ages 55 to 59, from $10.50 to $7.50; and ages 60 and over, from $14.00 to $9.00. Reductions are based on CSC's latest actuarial study of the life insurance program. Costs of running the program have declined for a number of reasons, including a lower death rate, higher investment yields, and more employees taking the optional insurance.

One Million Annuitants: A CSC report indicates there were a million annuitants on the retirement rolls at the end of fiscal 1977, being paid an average monthly annuity of $654. By comparison, 5 years ago there were only 758,000 annuitants, receiving an average of $338. During 1977, more than $2.8 billion was withheld from employees' salaries for retirement, and agencies contributed an equal amount. $8.1 billion was paid to retired employees for the year, and another $1.2 billion to survivor annuitants.

Retirement Trends: CSC's Bureau of Retirement, Insurance, and Occupational Health reports that the early 1970's were a disruptive period for the Civil Service Retirement System. Between 1970 and 1973, the annual number of retirements more than doubled as large numbers became eligible to retire, frequent and large cost-of-living increases took effect, and disability income tax rules were changed. By 1974 retirements stabilized and are now lower. Total new retirements from 1975 to 1977 were between 85,000 and 93,000 (20 percent to 25 percent of those eligible to retire annually).

SF 171 Gets Facelift: The next time you fill out a Standard Form 171, the "Personal Qualifications Statement," you should find it easier to do. The form has been changed to make it easier to read, to remove potentially discriminatory questions, and to add the courtesy title "Ms." Related forms were also revised: the SF 171-A, "Continuation Sheet"; SF 172, "Amendment to Personal Qualifications Statement"; and SF 173, "Job Qualifications Statement." If you have an application (using the old form) already on file, you need not resubmit it.

Charity Donations Break Record: Federal civilian and military employees contributed a record $79.5 million to last fall's Combined Federal Campaign, an increase of 11.6 percent over 1976 contributions. The Department of Defense raised another $6.2 million in its Overseas Combined Federal Campaign. The average gift increased to $28.79 from last year's $26.12; 72 percent of employees participated.

Smoky Issue Cleared: An arbitrator has ruled that nonsmokers are entitled to limited relief from the smokers around them. The ruling was made in response to a grievance filed by a nonsmoking IRS employee with chronic bronchitis, who called for a ban on all smoking in his office. He claimed smoke-polluted air was a health hazard. The National Treasury Employees' Union (NTEU) charged that smoky conditions were injuring the employee's health and that IRS violated the health and safety provision of the bargaining agreement. NTEU argued that medical evidence showed "secondary smoke" was a health hazard. The arbitrator found adequate ventilation and a reasonable separation of smokers and nonsmokers in the work area. He found no link between the grievant's medical condition and office smoke, but said IRS could ask smokers to voluntarily restrain their smoking.

Health and Safety Protection Lacking: A recent report on Occupational Safety and Health Activities in the Federal Government found "not all agencies in the past fully followed guidelines...for workplace safety and health programs." The report showed agency efforts to protect employees at work varied widely with agency size, type of work done, and available resources.

Training for Improved Work. Half of the training time of Federal employees is to improve performance, according to a recent CSC report, Employee Training in the Federal Service. Other significant uses of training are to meet future staffing needs, prepare employees for new assignments, develop unavailable skills, and use new technology. Employees average less than 1 percent of work time in training. The report shows that while two-thirds of total training hours are provided within the trainee's own agency, there has been a steady increase in the use of interagency training. Interagency training is the least expensive.

--Howard Stevens

letters to the editor

Ethics: "A Two-Way Street"

I must take exception to the remarks by David Reich, Ethics Counsel, USCSC, made in his article entitled, "Ethics," CSJ, Jan /Mar 1978, to wit:

> "Government employees on the other hand owe a duty and responsibility to serve the people of the United States in the best way they can. Profits are not their concern. Their private interests must at all times be subordinated to their official position."

In archaic yesteryear, these comments might have had broad acceptance. However, today, we must view any definitive remark that demarcates between a government worker and his counterpart in the private sector as objectionable. However, while I am glad that Mr. Reich did not refer to government workers as "civil servants," the cited remarks are still inundated with the heavy scent of paternalism.

We do recognize that there is or ought to be commonality of interest and a common denominator between Government and its employees. We are troubled that the Government failed to recognize and implement this view. In the final analysis, mutuality of interest and the recognition of a common denominator is a two-way street, with give-and-take on the part of the parties concerned and not confined to give on the part of the employees and take on the part of the public employer. Regrettably the latter has been the rule for the last decade.

It is absurd that a government magazine urge that "Their (government employees') private interests must at all times be subordinated to their official position." This is the type of thinking that brought about the Hatch Act and other equally disreputable policies that had a repressive and economically adverse effect on Federal workers....

It seems to me that public concepts must be promulgated in an atmosphere of reason and objectivity.

Let us eschew this forbidding approach of the past and engage in promoting a spirit of mutuality between Government and its employees with the Government remembering, at all times, that this must be a two-way street.

Harry H. Zucker
Legislative Chairman and Past President
Veterans Administration Local 1151, AFGE
New York, N.Y.

The PACE Is Right?

William A. Ward ("How the Government Is Doing on Campus," CSC Journal, July/September 1978) says that the PACE written test is inadequate for testing college seniors and recent college graduates because the content, format, and structure are disadvantageous to those who are unlikely to have experience in the work-a-day world that would allow them to do well on PACE. Quite to the contrary, the construction of the written test for PACE is based on a presumption that applicants are not and need not be familiar with the world of work or have work experience in order to do well on the test and get a job. The test content specifically does not deal with nor require any job knowledge, any special knowledge about how work is organized, or any knowledge about procedures involved in the target jobs or in any other jobs.

Data on this issue indicate the following:

—College seniors and recent

Save Your Time and My Time

when something goes wrong, use one or more of the

14 Standard Excuses

1. That's the way we've always done it here.
2. I didn't know you were in such a hurry for it.
3. That's not really in my department.
4. No one ever told me to go ahead.
5. I've been waiting for an O.K.
6. How was I to know this was different?
7. That's his job, not mine.
8. Wait 'til the boss comes in and ask him.
9. I forgot completely.
10. I didn't think that it was that important.
11. I'm so busy, that I just haven't gotten to it.
12. I thought I told you.
13. I wasn't hired to do that.
14. That's not my writing.

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college graduates pass the test at a *higher* rate than all applicants taken together.

—The overwhelming percentage of those who are eligible for PACE jobs are college graduates. In 1977 these were 90% of the eligibles.

—College graduates score higher on the average than other applicants, but for both groups, the higher the test performance, the higher job performance tends to be.

As to format and structure, the written test follows closely the style of typical tests with which virtually all recent college graduates and seniors are familiar.

William A. Gorham, Director
Personnel Research and Development Center
U.S. Civil Service Commission

A Minority Opinion

I was greatly interested by Helen J. Christrup's article, The Truth About Collecting Race Information," in your April/June 1978 issue. As a personnel manager in the private sector, I too face the difficult problem of determining the race, sex, physical or mental handicap, and veteran status of employees and job candidates.

Fortunately our task is being made progressively easier by the U.S. Equal Employment Opportunity Commission, whose current definitions of privileged or "protected" persons now cover at least 77 percent of the population of the State of California. I enclose a copy of a guest editorial I wrote recently for the *San Francisco Examiner* to demonstrate the fact. →

In the course of my research I was particularly interested to learn that as an Aryan, whose people unquestionably have origins in the Indian subcontinent, I am now a minority myself; namely, an Asian American.

Peter Ritson
Sausalito, California

Affirmative action, is it the best way?

In many ways "affirmative action"— a code phrase for preferential treatment of "minorities" in hiring and promotion— reminds me of the Vietnam war:

Hardly anybody supports it.

A recent national poll found overwhelming opposition to affirmative action even among those it is supposed to help. The House of Representatives voted (although without result) to deny Federal funds to support it and the Supreme Courts of California and New Jersey found it unconstitutional.

But like the Vietnam war, affirmative action seems unstoppable.

A chief reason those who support affirmative action see light at the end of the tunnel is that the program has been startlingly successful. In California, for example, minority participation in the work force has better than doubled in the last few years—from 25 percent in 1970 to about 60 percent in 1975.

In 1970, the Department of Labor issued its "Order No. 4" decreeing that employment quotas and promotion quotas (referred to as "goals and timetables") should be established for:

- Negroes.
- Orientals.
- Spanish-surnamed Americans
- American Indians.

According to the State of California's "Affirmative Action Data" published in November 1975, these groups comprised about 24 percent of California's work force.

By 1976, the Department of Labor and other Federal agencies had revised and expanded this list of those entitled to affirmative action to 12 separate categories:

Black males; Asian males; Hispanic males; American Indian males; Black females; Asian females; Hispanic females; American Indian females; all other females; all persons who served in the United States Armed Forces between August 5, 1964, and May 7, 1975; all disabled United States veterans of any period; and all mentally or physically handicapped persons including untreated alcoholics and drug addicts.

As of 1975 the people in categories 1 through 9 comprised about 60 percent of California's work force and 77 percent of California's population.

Data on the number of people in categories 10 through 12 are not available but presumably the number is very large.

In the meantime, Federal agencies issued a further change in the list. On March 25, 1977, the Equal Employment Opportunity Commission issued a memorandum addressed to "All Employers" requiring that this year they must recount "all persons having origins in any of the original peoples of the Indian subcontinent" as " in the category of Asian American or Pacific Islanders."

This may result in a record increase in minority employment since a very large portion of our population considers itself Indo-European in origin.

In any case, since its purpose is to increase minority employment, it is clear that affirmative action actually works. Why then, we must ask, does it provoke such controversy and why do so many employers have trouble meeting their quotas?

The principal reason for the unpopularity and inefficiency of affirmative action is the secrecy that surrounds the business.

In part this is the fault of the Federal Government, which urges employers not to ask their employees and job candidates directly to identify their race-sex-veteran-disability status.

Instead, employers are supposed to do this by "visual surveys" and employees and candidates are rarely advised of that or how they are being identified in computers and reports.

These procedures almost guarantee errors in many cases. How, for example, can the son of an Argentine immigrant named Schultz or a Spanish grandee named Bourbon be identified as an Hispanic minority if he isn't asked?

Thus it is that great numbers of employees and job candidates probably are misclassified in vital records.

It is obvious that the best thing is to be open and honest about this business and for employers to frankly advertise for the minorities they need—Hispanic female accountants and so on.

It is true that such frankness on the part of employers might well create difficult administrative problems.

How is the employer to handle suspected fraud, for example? How do you guess whether an employee is an American Indian or not?

Suppose an Hispanic employee who has an Asian mother learns that you have a better quota for Asians than for Hispanics; can he or she change his or her designation? Is somebody with a Portuguese grandmother Hispanic? How about Portuguese great grandmother? How about Basques?

The Federal Government unfortunately has provided very little guidance.

On the other hand, if there is anything the Federal Government is good at, it is writing up new rules and regulations, and the people who are responsible for our progress toward the first 100 percent minority work force in the world cannot be short of imagination.

San Francisco Examiner

DOES "CAREER EXECUTIVE" HAVE A NEW MEANING?

by Roger W. Jones

FORTY-FIVE YEARS AGO Franklin Roosevelt took office as the 32d President of the United States. In the years since, simple but dramatic phrases, chosen from Presidential addresses, have come to be America's summation of the visions and aspirations of each President. In the aggregate, these special identifications represent a sense of mission and destiny—hope for a final judgment of history on administration of the affairs of the nation. I shall use these slogans as illustrations of my belief that the generic title of "career executive" has had a continuing growth in new and added meanings from the concepts that prevailed during the 50 years from the birth of the career service under the Pendleton Act of 1883 until the Roosevelt administration.

New Deal Years

The New Deal (1933-1945) was literally that. In those 12 years the United States broke out from the suffocating bonds of limiting the role of the Federal Government almost entirely to ministerial and sovereign functions like carrying the mail, providing national defense, and conducting foreign relations. With a speed that was far greater than we realized at the time, the central government responded to economic chaos, social disintegration, and massive need for services that could be provided only by *Government*. As roles expanded and grew in complexity, there was a demand for executives far beyond anything initially foreseen—executives who would have continuing identification with specific Federal undertakings, and who would be responsible for control and direction of those undertakings.

Official records of both the agencies and the Civil Service Commission indicate that until the New Deal, career executives, in the sense of program and activity managers, were a rarity. There was little perceived need for middle-level career managers, to say nothing of higher level administrators with clear-cut executive responsibility and authority. Of course, there was recognition that some professionally identified bureau chiefs usually came up through the ranks, for example, the Chief Forester, the Surgeon General of the U.S. Public Health Service, and the Director of the Geological Survey. By and large, however, the higher civil service grades went to senior professionals in specific disciplines like chemistry, physics, law, and engineering.

The formulation and interpretation of policy were, for the most part, assigned either to political officers provided for by statute or to patronage appointees. In fact, most agencies, including the Cabinet departments, had a Chief Clerk as their principal career officer. This was a time-honored title that denoted a high and very special status, usually career, and it continues today in the congressional committee world. It combined such diverse roles as administrative services officer, budget officer, personnel officer, program coordinator, chief accountant, procurement officer, and some oddities of the times—for example, reviewing *all* letters to Congress and personally presiding at weekly pay days when most employees drew their salaries in cash, which was counted out carefully and duly acknowledged by signature on a payroll. (You may find it hard to believe, but this pay system was still in effect for much of the Department of Commerce as late as 1933.)

Considering the fact that when President Roosevelt took office Federal civilian employment in Washington was less than 70,000 and only about 580,000 in the field and overseas, it is not surprising that career executives were so few. By 1939, however, some 400,000 additional civilian employees were added to the Federal payroll, but we have no accurate count of what percentage of those employees was called upon to exercise executive responsibility. Neither the figures on the then CAF grades and titles, or even less the Professional (P series) categories, are helpful. Inferences can be drawn from the increased number of positions classified in CAF 14 and 15 and P 7 and 8, as shown in annual budgets, but the real story has yet to be dug out and written. The need for program managers was so insistent as to start an entirely new process of position designation and classification.

It was my agonizing privilege in 1934 and 1935 to labor with the parts of the Civil Service Commission that recruited, examined, and certified most personnel—after advance approval of every single job sheet. The assignment was to assist in creating career categories for professional, supervisory, and management personnel needed for such new programs as social security, unemployment insurance, farm credit, rural electrification, Federal aid to get the farmers out of the mud, insurance of bank deposits, and newly important staff and control jobs in budget, personnel, and accounting.

" '...career executive' has had a continuing growth in new and added meanings from the concepts that prevailed during the 50 years from the birth of the career service under the Pendleton Act of 1883 until the Roosevelt administration."

One hot, humid summer afternoon in 1934 Leonard White, Ismar Baruch, Kenneth Vipond, and Fred Brown of the Commission met with several members of the Central Statistical Board (White was a member of the Board as well as a member of the Commission, and I acted as a kind of procedural adviser and note taker for the Board). It was our purpose to argue the case for writing executive responsibilities—not merely nominal supervisory functions—into the classification structure and examination announcements for four categories of professionally trained persons: economists, statisticians, demographers, and political scientists. The great Ismar Baruch, with one of those flashes of intuitive genius he so often had, said, in effect, "Federal agencies—no, Federal programs—are creating a new civil service. We know how to examine and classify clerks and research chemists. I wonder how long it will take us to do the same for competitive civil service professionals who will administer national affairs."

Genesis of the Term, "Career Executive"

I am not sure when the term *career executive* first came into general use, but recognition that there were such persons was evident before the United States got into World War II. Immediately after the war, scholars, political officers, and practitioners of public administration used this title with increasing frequency in sorting out differences in job concepts, roles, and responsibilities of career versus noncareer executives. I think it is not

incorrect to say that their point of departure for new Federal organization charts and a literal torrent of articles, books, reports of seminars, and conferences was the 1935 report of the Commission of Inquiry on Public Service Personnel. The chief thrust of 31 recommendations of the Commission may be summarized in the following short quotation:

"The establishment of career service is, in the judgment of this Commission, the required next step in the history of American government. . . . By a *career* is meant a life work. It is an honorable occupation which one normally takes up in youth with the expectation of advancement, and pursues until retirement. A *career service* in government is thus a public service which is so organized and conducted as to encourage careers."

In any event, by 1958, when Marver Bernstein's *The Job of the Federal Executive* was published as a result of a Brookings roundtable, there was no disagreement among the roundtable participants that the term career executive meant "civil service appointees serving as professional administrators at the highest levels." This was a far cry from the limited administrative concepts of the pre-New Deal years. In defining the function of the career executive, Bernstein quoted from the Hoover Commission's Task Force on Personnel and Civil Service:

"It is the function of career executives . . . to provide a reservoir of knowledge, managerial competence based upon experience, and understanding of the peculiarities of Government administration. It is their job to keep the Government operating as effectively as possible at all times. They are essential to maintain the national administration as a going concern under all conditions. They can put political executives in touch with the long background behind most important issues, and help them to understand the probable consequences of alternative courses of action. They can also relieve political executives of the great burden of administrative detail involved in operating the vast governmental establishment."

" 'The establishment of career service is, in the judgment of this commission, the required next step in the history of American government.... By a career is meant a life work. It is an honorable occupation which one normally takes up in youth with the expectation of advancement, and pursues until retirement. A career service in government is thus a public service which is so organized and conducted as to encourage careers.' "

Life work undertaken early with the expectation of advancement, wide program knowledge, managerial competence based on experience, understanding of the peculiarities of Government administration, concern with the consequences of alternative courses of action, carrying the burden of administrative detail—these had become, and still are to a great extent, definitive elements in the meaning of career executive.

It is taken for granted that legal and moral commitment to the public interest is the foundation stone of careers. That commitment means rectitude of purpose and person in maintaining partisan neutrality while at the same time being a sensitive and active participant in the working day-to-day politics of program and policy formulation. The Task Force's report expressed it as "trained to see particular issues and immediate problems in relation to the general and broader requirements of the present and the future—to seek the balance of interests which is the continuous function of government."

Although idealistic and austere, this set of criteria neither prohibits nor prevents career executives from emotional and intellectual attachments to specific programs. As early as 1936, the emphasis in the new programs that the Congress was enacting with considerable dispatch called for program commitment. It was demonstrated by creativity, and not by either partisan regularity or executive efficiency.

The new generation of civil servants was already marked by zeal, enthusiasm, fresh ideas, and the joy of doing. Rapid advancement to heady responsibility was bringing down the average age of persons in CAF 13 and up and P 6 and up.

Youth was being challenged, and was meeting the challenge, by adding an essential element in the meaning of career executive—willingness to interpret and defend the new programs and to fight for them as advocates with the public, with other agencies, and also with committees of the Congress through the device of setting up and maintaining direct relationships with committee staffs. These committee staff relationships were not insidious in either intent or result. They were, in essence, reports on stewardship. They were not a conspiracy to prevent progress or change in programs. These kinds of manifestations, perforce, became muted or disappeared during World War II. The New Deal had to give way to conduct of military operations. Much of the recently established middle

management went into uniform. Into the bargain, a whole generation of young college graduates was largely lost so far as the career civil service was concerned.

Fair Deal Years Add New Meaning to "Career Executive"

After the war another new meaning of career executive arrived with President Truman's Fair Deal. Who and what the career executive was became important. The agencies and the President wanted career administrators at every level who looked upon themselves as dedicated to pursuit of efficiency and on their jobs as embracing concentrated attention to improvements in organization; reduction of overlapping and duplication; adoption of tools of management hitherto associated with private enterprise; and coordination of process as well as program. With these qualities reflected in job performance it was reasonable to assume that the Fair Deal would ensure equity of treatment and equality of opportunity for all Americans.

Some public administrators insisted that the era of the generalist executive had finally arrived. "How-to-do-it" emphasis in academic curriculum and on-the-job training had a great deal of appeal—albeit transitory appeal as things turned out. Once again war took first priority. Many of you will remember the insatiable demands of Korea for money and manpower. The role of the career service executive was to hold the line on the gains made in the short interim between World War II and Korea.

Statistically, it is interesting to note what was taking place. Large increases in jobs at GS-15 and salary compression at the top of the career civil service had become a cause for concern before President Truman's election in 1948. A handful of technical and scientific jobs had been created to relieve some of the pressures, and eventually, after long debate, the Congress, in the 1949 revision of the Classification Act, created a Government-wide quota of 400 executive jobs primarily designed for career personnel. They were immediately dubbed supergrades—three new levels (GS-16, 17, and 18) above the Classification Act top of GS-15. At the same time salary levels were raised modestly. At the end of the Eisenhower administration the quota of supergrade jobs had increased to 1,989 and the Congress had authorized another 617 as special agency authorities.

Impact of the Eisenhower Years on Career Service

With President Eisenhower's inauguration the career executive faced a temporarily frightening menace. Had it prevailed, the career executive would have reverted to a ministerial role. Despite the President's knowledge of and faith in the competence and objectivity of the civil service, most members of his Cabinet and Republican politicians, generally, were suspicious and sometimes openly hostile to career executives.

Aside from criticism about their lack of "business experience," senior career people were assumed to be partisan. The exercise in self-delusion went something like this (and I am summarizing what one Cabinet officer said to me after I had briefed him on the unfinished legislative program of his department). "What you have told me is totally at odds with what I came to Washington to do. You say that my department has an institutional program. I think it was largely conceived and articulated by its Democratic constituents and high-level civil servants, every one of whom must be a New Deal-Fair Deal Democrat. We have no obligation to them, and they feel none to us. I think we should be free to appoint Republicans who will understand what this administration has set itself to do. I doubt that I have a single career man in a senior position who can be trusted. How can I ever administer my department with that kind of albatross around my neck? You tell me that many of the things you have described today are consistent with the President's thinking. I think you are wrong, and I intend to find out how wrong." (He later admitted that I was not wrong.)

Another Cabinet officer told me that he respected the sincerity of career officers, and by and large they appeared to be able, but he must insist that they limit themselves to essential housekeeping activities. His political Assistant Secretaries and he would handle all matters of policy and substance. Within 3 months he was sending his career executives as emissaries to the Congress and to a loudly demanding constituency. He was also asking them to scout out and report on the desires of some of his Cabinet colleagues to grab off parts of his subject matter territory. They had earned his trust and he acknowledged it.

In short, by the time President Eisenhower had been in office for 2 years, the Great Crusade (his Mandate for Change), and despite the creation of Schedule C, was relying on career executives as a principal force for continuity and for moving forward patiently on three fronts: (1) Establishment of a two-way channel of communication with the public and the Congress with an obligation to re-

port public reactions to Federal programs and to be interpreters of those programs; (2) development of recognition that the spectrum of Federal occupations had become as wide as that of American society and required broadly trained career executives who were oriented to the government as a whole and not just to one program or agency; (3) need to establish a system of compensation and benefits that would make Federal executive careers attractive and competitive with those in non-Federal enterprises. In connection with the third item it is pertinent to note that life insurance, health benefits, general authorization for training and education of civilian employees, and the first formalized career executive program (unfortunately short-lived) all came into being during the Eisenhower administration.

The Administrations of the 1960's and Early 1970's Further Change "Career Executive"

President Kennedy's New Frontier, President Johnson's Great Society, and the early years of President Nixon's New Federalism increased the number of executive positions substantially and added still another new common element to the meaning of career executive. Although differing widely in defining program goals and priorities for expenditures, all three administrations gave emphasis to the fuller use of the combined powers of the Federal, State, and local governments in making effective delivery of services a central policy. Assumption that this emphasis would require large numbers of politically partisan mid-level executives turned out to be false. What was needed was continuity of effort, and that was best provided by career personnel.

In my judgment all three administrations overrated the value of conceptual gadgetry and the techniques of industrial technology as ways to obtain effectiveness, but it cannot be disputed that attention to the other levels of government and the pursuit of program effectiveness (as contrasted with economy and efficiency) changed the meaning of career executive. The several reports of the Advisory Commission on Intergovernmental Relations and such statutory enactments as revenue sharing give convincing evidence of the former. As for the latter, cost benefit analysis; quantitative analysis; planning, programming, and budgeting under the acronym of PPB; management by objective or MBO, all backed up by the computer, became the order of the day in rapid succession. There were sporadic attempts to politicize appointments in these specialties. Generally they failed and career executives were supposed either to master the intricacies of these techniques or to make certain that members of their staffs became experts. In either case these tools were supposed to provide a set of guideposts toward executive excellence.

As each management fad came on the scene it was given a high degree of political supervision that did not often succeed. The career executive tended to be ignored or judged harshly if he argued, almost always correctly, that other considerations such as political and fiscal feasibility had to be in the picture. Many political officers thought cost-benefit analysis and quantitative analysis were ends in themselves. They tended to set the PPB staff apart from budget staff, and to think that MBO had little need to pay attention to time-tested peculiarities of government management and statutory mandates dear to the interests of agency constituencies. In fact, MBO often rejected them as unworthy. Computers turned out, in many situations, to be unable to produce information that could be quickly adjusted to rapidly changing events and demands.

The cruel tragedy in Dallas ended the Kennedy approaches to intergovernmental cooperation before they could really be tested. President Johnson's success in getting enactment of the largest and most far-reaching legislative program in 30 years saw its promise of successful intergovernmental operation founder on two grim realities—Vietnam and the mistaken belief that appropriations and the mechanical handmaidens of technology could combine to assure permanence of the Great Society. President Nixon's declaration had great appeal: "It is time," he said, "for a new federalism, in which, after 190 years of power flowing from the people and local and State governments to Washington, it will begin to flow back to the States and to the people." How sad it was, and still is, that this declaration was almost entirely abandoned in the ever-tightening spiral of centralizing power in the White House.

Nevertheless, I contend that through all of this period of seeking societal and governmental salvation, first through "new managerial knowledge" and its application, and later through demands for "responsiveness" (which apparently meant obeying political orders without question), the career executive may have been baffled but was seldom reduced to either incompetence or ineffectiveness. Senior career personnel rather steadfastly kept their collective eyes on how things were going nationally, and provided continuity of effort. Accepting the validity of the concept of use of combined powers, they tried to advocate decentralization of decisionmaking, diversity in approved methods of providing services, and for the first time in Federal history began to take partnership with State and local counterparts as meaning cooperation and collaboration.

I suppose it was inevitable that these developments turned the public's attention to the complexities, overlaps, inconsistencies, and failures in Federal programs, and the civil service "bureaucracy" was blamed for all of them. After Watergate, criticism, suspicion, and contempt became general, and the moral authority of Federal institutions eroded rapidly.

It was this situation with which President Ford contended during his short Presidency. He emphasized time and again that it was his purpose to restore faith in the institutions of the

Federal Government, its principal officers, and its civil service personnel. Expressing confidence in career executives, he called for changes in outlook and concepts of service by government and the public at large, and pointed out that the higher echelons of the career service would have an essential role in redirecting Federal programs. In summary, I think it is fair to say that President Ford's statements about the responsibilities of the career services brought together a review of merit system history and a look ahead that were the point of departure for the emerging new meaning of career executive.

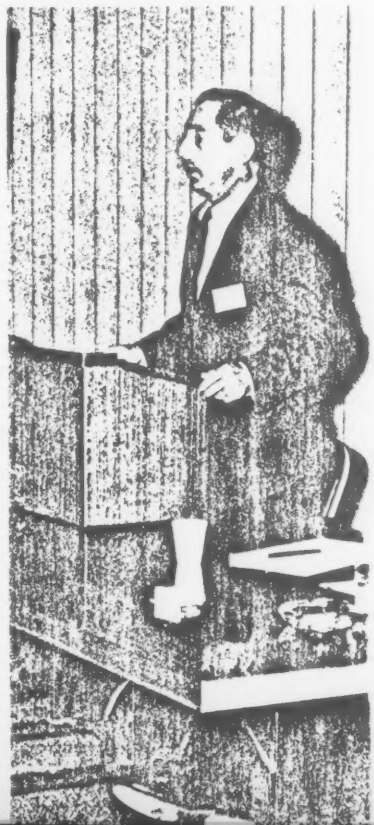
Carter Era

The next step, and one which has created a great deal of momentum and careful analysis, was President Carter's instruction to prepare plans for reforming the civil service system. During the campaign he was sharply critical of rigidities that he believed had led to stagnation and incompetence, but it was not until his speech at the National Press Club that he gave a clear indication of the specific reforms he would propose.

The National Press Club speech, when followed by his message to Congress on March 2, 1978, brought into focus all the dissatisfactions about the civilian services that the press, the public, many Members of Congress, and politicians of both parties have expressed during the past 10 years. Editorial writers, columnists, cartoonists, and TV and radio commentators all echoed the theme that the Federal bureaucracy could not be fired and was overstaffed, overpaid, underworked, and guilty of incompetence and arrogance.

The central thought appears to be that civil service reform in and of itself will produce all that is needed to change, contain, and eventually overcome public perception of government as ineffective, mismanaged, and incapable of making wise decisions about policy and program. This view, in my judgment, is as dangerous as it is oversimplified. Simplification and modernization of the personnel laws may overcome neglect of merit and the miring of the civil service system in red tape, delay, toleration of poor performance, and some impediments to effective management. It will take much more than that to overcome inconsistencies, duplications, and ineffective programs that Federal personnel must try to administer in compliance with the underlying statutes.

"Whether the issues are large, contentious, and continuing... or small and narrowly focused...it seems certain that the Federal role cannot be effectively played by short-term political officers."



Nevertheless, I am convinced that the civilian personnel system needs a complete overhaul. It is not performing very well. Regardless of whether the Carter administration's reform legislation is enacted without material change or with major deletions such as modification of veteran preference, irreversible developments in Federal program responsibility are giving an entirely new meaning to the jobs of almost all career executives.

Civil Service Reform Can Give New Meaning to "Career Executive"

It is too early to develop a total catalog of the elements in this new meaning, but I think there are two kinds that can be distinguished.

The *first* involves acceptance of the fact that a tremendous number of special constituencies now exist in American society. They must be given attention. Many are small but they are vocal. They seek alliances and combinations very much on the basis of "you scratch my back and I'll scratch yours" in pressing for congressional attention to their demands and goals. It is an inescapable duty of the career services to keep track of them, to see that their views are given appropriate attention, and to gauge the merit, in national terms, of the causes they embrace.

Other special organizations are large and have such conflicting and antagonistic ends that open warfare between and among them flares up without warning and with little concern for rationality and compromise. There is no better illustration of this phenomenon than the emotional differences and program goals of environmentalists and the advocates of all-out development of America's energy resources.

Both kinds of constituencies tend to take a very proprietary view about their responsibility to promote the national welfare. Whether the issues are large, contentious, and continuing (control of hand guns, for example), or small and narrowly focused (like local low income housing policy), it

seems certain that the Federal role cannot be effectively played by short-term political officers. Only the continuity provided by career officers can mediate differences, seek acceptable solutions, and lead over the longer run to understanding that will prevent dangerous and irreconcilable impasses, and which can provide a rational basis for executive branch recommendations for remedial legislation.

The *second* kind of development that gives new meaning to the concept of the career executive already has at least five elements:

1. The growth of direct federalism in the form of financial grants-in-aid to State and local governments has established a set of principles and policies that appear irreversible. In dollar terms, this aid has grown from $2.3 billion in 1950 to over $70 billion in 1977, and is forecast to exceed $80 billion in the next fiscal year.

So large a scale of dollar grants has greatly enlarged the sphere of Federal influence. It casts such long shadows into the future that it must be controlled through continuity and consistency. It demands career managers at levels that carry not only executive responsibility but also make exercise of leadership necessary in monitoring State and local use of Federal grants. I use the term "leadership" in the meaning of career executive for the first time. It is quite different from management or administration and implies a kind of dedicated involvement for long periods in local and State affairs. Few short-term political appointees will be equipped to play this role.

2. There can be little doubt that multi-year budgets are a *de facto* reality even if they have not yet had the sanction of Federal statutes or been subjected to the specialized constraints of zero-based budgeting. They make sense and they certainly require the continuity of administration that the career executive can provide.

3. Despite some ridicule and some sincere opposition, there is growing support for the kind of periodic program evaluation and reauthorization associated with the term "sunset laws." Here again, the main burden of developing materials for such reviews will have to be borne by career personnel at the working level and their executive superiors.

4. As indicated above, career executives have either become or must become integral figures in the society where they live and work. It seems probable that only such a category of executives can provide the necessary Federal eyes and ears to keep track of an increasing State government tendency "to regulate, mandate, pre-empt, and rigidify local functions, structures, and finances," quoting words used in the most recent report of the Advisory Commission on Intergovernmental Relations.

5. After a small, shaky start under the Intergovernmental Personnel Act, exchange of career personnel, often at the executive level, with State and local governments and with educational institutions is bearing fruit. Unless there is a reversal, which would make no sense at all, this means that the career executive will undoubtedly serve at more than one level of government in the course of a career. The benefits of such service seem obvious, and they will make the Federal career executive an "in-and-outer" in the best sense of that concept. Hitherto the term has been applied largely to persons who serve a short tour in the Federal Government, then leave for other pursuits, and later come back at the political level.

These new meanings in our concept of the career executive support what I believe is an underlying concept of President Carter's message to Congress on March 2. He said, "Civil service reform will be the centerpiece of government reorganization during my term in office." That commitment has broader implications than have been generally recognized. Certainly, important adjuncts to success of the career executive in the new role can be found in legislation that would provide for placing career executives where they are most needed; make it almost mandatory to reward good performance; simplify appointment procedures; provide for more meaningful (if not substantially less subjective) performance evaluation; and pay salaries consistent with individual capacity rather than an arbitrarily established job level.

On the other hand, unless really protected by statutory merit principles and a specific limitation on the number of noncareer executives who can be appointed, the career executive may have cause to fear arbitrary treatment because of the personal idiosyncracies of political officers or the demands for patronage from politicians. The *intentions* expressed by the Carter administration must become reality. I hope very much that they will be accompanied by a withdrawal of support for sweeping changes in the Hatch Act. Its continuation, at least for protection of the career executive, is essential if the potential of this new meaning is to be achieved.

I look for the day when discerning students of the Federal scene, like Hugh Heclo, will not have to sum up their analyses of executive politics in Washington with the words, "There are too many political appointees and too few accountable politicians in Washington, too many bureaucrats and not enough civil servants" (*A Government of Strangers*, p. 264). Let us hope that civil service reform will be enacted by the Congress in such form as to become a major factor in reducing the number of "political appointees" and in providing "enough civil servants." CSJ

The Author: Career civil servant...former CSC Chairman...official of the State Department, Bureau of the Budget, Office of Management and Budget...recipient of numerous awards including the President's Award for Distinguished Federal Civilian Service...author, advisor, and commentator on the personnel management scene. This article is based on an address at the Federal Executive Institute, Charlottesville, Va., earlier this year.

APPEALS DIGEST

These summaries of decisions give you a general picture of how cases are handled through the Federal Employee Appeals Authority. We suggest you seek advice of your personnel office or legal officer (general counsel) if you need guidance on a case in which you may become involved.

Temporary Employee Can Be Suspended

The appellant was fired, and appealed to the FEAA. When the FEAA reversed the action, the agency then asked the Appeals Review Board to reconsider the FEAA decision. While waiting for the Board's decision, the agency reinstated the employee temporarily as CSC regulations require. After he was rehired, however, the agency suspended him indefinitely based on new charges against him. But part 752B of the civil service regulations does not cover temporary employees, so the FEAA declined to consider the appeal. Decision No. SE752B80010.

Promotion and QSI OK

The appellant was granted a Quality Step Increase and a promotion on the same date. But the agency decided it was incorrect to grant a Quality Step Increase on the same date as a promotion and canceled the QSI, reducing the appellant's pay.

On the employee's appeal, the FEAA noted that the reduction of pay, from a rate contrary to law or regulation to a rate that law or regulation requires or permits, is not covered by subpart 752B of the civil service regulations. However, it also noted that although this personnel action could be considered inappropriate, it did not violate law or regulation. The reduction in the appellant's pay, therefore, was found to be covered by subpart 752B of the civil service regulations. However, because the action was not processed in accordance with that subpart, it was reversed. FEAA recommended canceling the action that reduced the appellant's pay. Decision No. SE752B80027.

Employee Must Be Notified of Change in Charges

The agency proposed removal of the appellant because he allegedly took 20 items of Government property for his personal use. In its decision on the proposed discharge, the agency found that the charge against the appellant was sustained except that the employee had evidently bought six of the items from the Government. The deciding official stated, however, that the purchase of those six items "could be interpreted as a conflict of interest," and that the appellant would be demoted.

On appeal, the FEAA found that the demotion was procedurally deficient. The deciding official had either: (1) altered the charge in the proposal notice, and relied on a new charge of conflict of interest, without letting the appellant reply; or (2) relied only on that part of the charge relating to the 14 items that apparently were not bought from the Government, without advising the appellant that that part alone had been sustained and relied on as the basis for the action. FEAA recommended that the demotion be canceled. Decision No. SE752B80052.

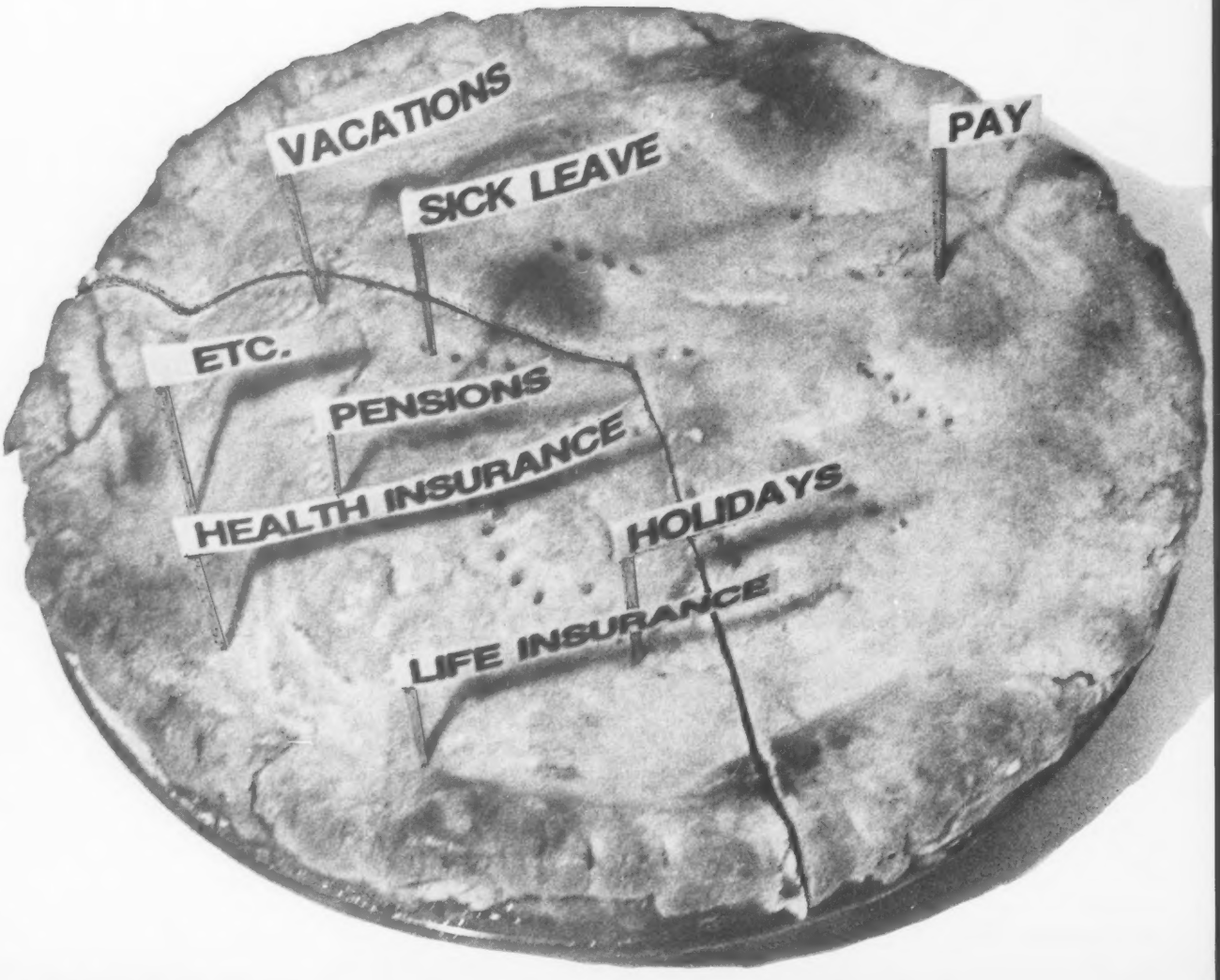
When Is a Job Abandoned?

The appellant, fired for abandoning his job after he had failed to report for work for 4 months, appealed to the FEAA. The FEAA noted that he had been granted sick leave on his last day at work; that the agency's letters to him regarding his absence had been returned unclaimed, since he no longer lived at that address; that there was no evidence that he had left the area or that he had sought another job; that he had contacted the agency twice to find out how he could return to work; and that he had submitted medical evidence that he had been ill during his absence. Accordingly, FEAA found that the appellant had *not* abandoned his position; that his separation had been involuntary; and that it was covered by subpart 752B of civil service regulations. The appellant's firing was reversed because of the agency's failure to follow procedures, and FEAA recommended cancellation of the action. Decision No. DC752B80142.

—Paul D. Mahoney

COMPARING FEDERAL AND PRIVATE EMPLOYEE BENEFITS

by Ross A. Marcou



FEDERAL employee benefits now comprise a third of total compensation. To be sure that total compensation is comparable with the private sector (equal pay for equal work), the Government is doing a sophisticated study of pay and benefits, comparing Federal and private retirement, insurance, and leave. First results are expected next year.

Over the past few years, the Civil Service Commission has been developing a methodology to support total compensation comparability (TCC)—including supplemental benefits along with pay in the Federal comparability process. Under current Federal compensation-setting procedures, most Federal pay rates are adjusted annually by the executive branch on the basis of surveys of private pay levels, while benefits are adjusted piecemeal by Congress, wholly apart from comparability determinations. Adding benefits to the comparability process would mark an important broadening of the pay comparability policy contained in the Federal Pay Comparability Act of 1970, so enabling legislation would be required for implementation.

Total compensation comparability can add new efficiency and order to the way Federal employees are compensated. Greater efficiency would stem from formally recognizing that compensation is composed of pay and numerous nonpay elements. To attract and retain a high quality work force, the Government must not only pay adequate salaries, but also offer adequate benefits and working conditions.

A TCC system can also bring new order to the Federal compensation system by avoiding the "balkanization" of pay and benefit setting that now occurs through treating pay and various benefits without considering their relationships. A TCC system would explicitly show the effect of each element on others and on total compensation.

A TCC system can ensure employee equity while attaining greater efficiency and order, since Federal employees would, for the first time, be assured that all their compensation is taken into account in determining comparability. While equity to the employee must be emphasized, it is fair to characterize TCC as a management initiative intended to improve Federal personnel management.

Support for developing a TCC methodology was increased greatly by reports issued in 1975 by the General Accounting Office (GAO), and by the President's Panel on Federal Compensation (Rockefeller Panel). Both endorsed the principle of total compensation comparability and called for remaining questions of feasibility to be resolved. To implement the Rockefeller Panel recommendations, CSC accelerated its research, assisted by a supplemental appropriation in 1977. The direction of this research was endorsed by the staff of the Federal Personnel Management Project.

Two basic factors, highlighting the need for total compensation, have been recognized.

Growth of Benefits

The first is the tremendous growth in the importance of benefits throughout the U.S. economy. Starting at a low level early in this century, benefits have grown steadily to become essential and costly parts of the overall compensation package. While at one time it was reasonable to refer to "fringe" benefits, this is clearly no longer the case, since benefits now account for one-third of compensation costs in many private organizations and governments. Any organization that fails to give high priority to benefits in its personnel and financial management programs is courting serious trouble, particularly in light of the legal requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and similar legislation.

In the past, both the Federal and private sectors have underestimated or devalued the costs of benefits. This was possible since changes in benefits such as retirement generally lead to major costs only in the long run, while attention is usually focused on the short run. The true costs of benefit changes have been made more apparent by the funding provisions of ERISA in the private sector and by explicit legal requirements for funding some Federal retirement benefit increases. A TCC system would reinforce this trend toward greater benefit visibility by reflecting the full worth of benefits in comparing Federal and private compensation, whether or not they are fully funded.

Greater Accuracy

A second reason for a TCC system is its promise for refining the accuracy of the Federal comparability process. Until pay comparability was fully achieved in the late 1960's, precise comparability determinations were unnecessary since Federal pay lagged far behind private pay. However, with pay comparability achieved, it is important to attain the greatest possible accuracy in determining pay comparability, and also to ensure that pay comparability is not offset by a lack of comparability in benefits. While there is clearly some limit on accuracy in comparability imposed by administrative costs, including supplemental benefits can produce major refinements in the Federal comparability process within reasonable cost limits.

Until recently, a TCC system for Federal employees was not considered feasible due to limitations of the state-of-the-art in evaluating benefits and collecting data. Each is complex, and there has been relatively little private or government work to create precedents for a Federal TCC system. However, on the basis of research and development done at the Commission beginning in 1974, and at the Bureau of Labor Statistics (BLS) beginning in 1977, it now appears that a workable Federal TCC methodology is within reach.

Developing a Benefit Evaluation Method

To establish a system of comparability between Federal and private pay and benefits, one must first determine which benefits should be included, and then develop a method for evaluating and comparing these benefits between the two sectors. Initial work has focused on a group of major benefits that are both quantitatively significant and generally available to both Federal and privately employed workers. These are: pensions (including Social Security), long- and short-term disability insurance, health insurance, life insurance, vacations, sick leave, holidays, and other paid leave. Together with pay, these account for over 90 percent of all compensation expenditures in both the Federal and private sectors.

Developing a method to evaluate benefits involves major complications since, unlike pay, benefits are complex. To see this, one needs only to contrast salary—a single quantity per unit of time—with a benefit like health insurance with its eligibility provisions, coverage options, special benefits, deductibles, and coinsurance formulas. Any method for evaluating and comparing benefit plans must encompass these and other basic characteristics.

One method, sometimes used in setting private sector benefits, would individually compare the various provisions of Federal and private benefit plans to derive a subjective judgment on overall plan worth. Index numbers might be used to rank plans. While subjective judgments must play a role in any evaluation, an approach relying mainly on such judgments might well lead to arbitrary and nonreproducible results if used on a large scale.

Since the cost of benefits to the employing organization, often through the use of private insurance carriers, reduces the various plan characteristics to a single figure, employer cost is a second possible basis for comparing benefits.

Federal Employees Fringe Benefit Program — As of December 31, 1977

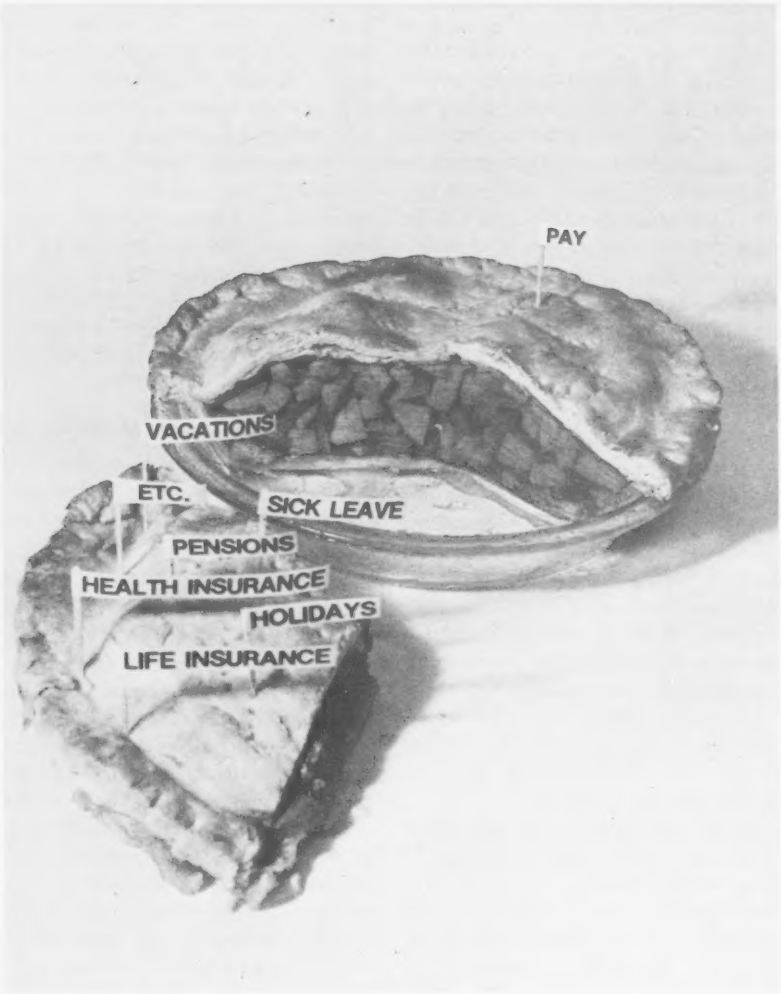
	Dec. 31, 1977	Dec. 31, 1976
Retirement		
1. Annuitants		
a. Number—issued cases	1,130,000	1,070,000
b. Average monthly annuity	$660	$600
2. Survivors		
a. Number—issued cases	410,000	400,000
b. Average monthly annuity	$270	$240
3. Total monthly annuity	$857 million	$738 million
4. Employees		
a. Number covered	2,700,000	2,700,000
b. Average salary	$16,500	$15,500
c. Covered annual payroll	$44.6 billion	$41.9 billion
5. Number eligible for retirement		
a. Voluntary	235,000	-
b. Involuntary	447,000	-
c. Disability (not voluntary)	1,960,000	-
Life insurance		
1. Employees		
a. Number regular	2,380,000	2,406,000
b. Number optional	660,000	650,000
c. Average regular	$19,700	$18,300
2. Annuitants		
a. Number regular	1,010,000	970,000
b. Number optional	56,000	51,000
3. Total insurance in force	$64.4 billion	$60.6 billion
Health Benefits		
1. FEHB		
a. Active employees	2,300,000	2,290,000
b. Annuitants	1,000,000	940,000
c. Dependents	6,370,000	6,280,000
d. Total covered	9,670,000	9,510,000
2. RFEHB		
a. Uniform Plan	48,000	51,000
b. Other	92,000	98,000
c. Dependents	35,000	37,000
d. Total covered	175,000	186,000

Under this approach, cost data would be collected from the private sector and compared with Federal costs to determine the degree of comparability. This method has attractive features, including modest data requirements. Since cost is typically expressed as a single figure or group of figures, unwieldy questionnaires are unnecessary and comparisons are easily made.

On the minus side, cost data are often considered sensitive by private organizations. In addition, it is sometimes difficult to discern net costs because of reserve fund and rebate policies of private insurers.

A more serious drawback of the cost approach is the wide variation in reported costs for benefits that are essentially identical. Such variations stem not only from differences in the surveyed work forces, but also from differences in funding practices and in actuarial and economic assumptions adopted by the systems' administrators. These factors, unrelated to the quantity or quality of benefits provided, make it virtually impossible to determine the actual benefit levels corresponding to any reported cost.

A third method—the "level-of-benefits" approach—would use the Federal work force as a standard for evaluating and comparing benefits. Data would be collected on the provisions of Federal and private plans. Then actuarial and economic models



would estimate the cost of providing private plans to the Federal work force, and compare this to the cost of providing Federal benefits to the same work force. Any difference would indicate a lack of comparability.

The same costing methods and assumptions would be used for all plans, so that—unlike the employer cost—differences in plan worth would always reflect differences in benefit provisions, and identical benefits would always be evaluated as equal.

Endorsed by the Commission staff, private sector advisors, and the Federal Personnel Management Project, the level-of-benefits approach has been selected as the basis of a Federal TCC evaluation model. Variants of the approach are also used by a number of private consulting firms, and by Canada in developing a TCC system for its Federal employees.

But developing a specific level-of-benefits method for use in a Federal TCC program presents a number of problems. These derive mainly from the need to construct detailed evaluation models to estimate the worth of surveyed benefits. Constructing these models requires, in addition to extensive professional judgment, the selection of actuarial and economic assumptions that can materially influence the final results obtained; for example, interest rates, increases in the Consumer Price Index, and salary increases for Federal employees. Another problem is the need for a large amount of data on private benefits.

A Benefits Data Collection Method

Beginning in 1977, BLS undertook to identify and test methods for collecting private benefits data for use in level-of-benefits analyses. As part of this program, a benefit questionnaire was tested on a number of potential data sources including files on private sector plans maintained by the Department of Labor as required by the Employee Retirement Income Security Act of 1974.

BLS found that most of the data on pensions, long-term disability insurance, health insurance, and life insurance (referred to as "insurance benefits") could be collected from these ERISA files. Use of the ERISA files greatly enhances the feasibility of a Federal TCC system by largely removing the problem of obtaining large amounts of data from private firms.

While ERISA can serve as the primary data source for insurance benefits, BLS concluded that data on vacations, sick leave, short-term disability insurance, holidays, and other paid leave plans (referred to as "leave benefits") can be collected as part of the existing white-collar pay survey process—the National Survey of Professional, Administrative, Technical, and Clerical Pay (PATC survey)—through the use of a special leave questionnaire. BLS successfully tested the collection of leave data in the 1977 PATC survey. This success in collecting leave data was probably due in part to a generally supportive attitude in the private sector toward total compensation comparability.

In sum, the 1977 benefits data collection testing program conducted by BLS concluded that:

—Data needed to implement a level-of-benefits approach to TCC can be collected without undue cost or respondent burden.

—Data on private sector insurance benefit plans can be collected by sampling the ERISA files.

—Data on private sector leave benefits can be collected as part of the yearly PATC survey.

Large-Scale Testing

On the basis of these results, a large-scale test of the total compensation methodology is being initiated this year.

The main parts of this test are:

—Developing a statistical method for combining benefits data from the 1979 PATC survey and ERISA files.

—Resolving remaining problems regarding benefit evaluation methods.

—Constructing a computer model to apply the methodology.

—Collecting reliable data from the ERISA files and 1979 PATC survey on both insurance and leave benefits.

—Applying the computer model to the data base to estimate the worth of Federal and private sector benefits and the degree of comparability.

—Identifying remaining problems to be solved before the system is implemented.

—Developing recommendations regarding implementation of total compensation comparability, along with detailed procedures.

This program is scheduled for completion in time to allow implementation of total compensation comparability for at least part of the Federal work force as early as October 1981, if authorized by Congress.

TCC Policy Issues

A number of important policy issues must also be resolved.

One relates to whether (and to what extent) Federal employees should be grouped to compare benefits with private sector counterparts. A single comparison group would combine General Schedule (GS) and Federal Wage System (FWS) employees. This large-group approach would be consistent with the current legislated benefit program providing the same major benefit provisions to GS and FWS employees.

Another approach would identify major sub-groups of Federal employees (for example, General Schedule, Federal Wage System) for use in comparisons. To the extent that benefits are occupationally determined in the private sector, a case can be made for dividing the Federal work force for the analysis. Much more study will be required before a recommendation on this issue can be formulated.

A second issue of major importance is how to establish and maintain comparability. A number of procedures are consistent with the evaluation method being developed.

Under one procedure, the goal would be to attain comparability between the Federal and private sectors benefit-by-benefit. Individual comparisons would be made of pensions, life insurance, vacations, etc., and each Federal benefit would be maintained at the level of its private counterpart. With Federal pay and all benefits individually set at comparability, total compensation would be comparable. While this might be attainable in the long run, its rigidity would add substantially to short-run administration problems.

A second procedure would allow tradeoffs among Federal benefits as long as, together, they were comparable to total private benefits. Total compensation comparability would be achieved through comparability of both pay and overall benefits. This procedure would acknowledge that there may be valid reasons, including employee preferences, for differences in relative benefits emphasis between the sectors.

A further extension of this reasoning would allow pay as well as benefits to vary, perhaps within limits, as long as the total was equal. Under this approach, Federal pay could either exceed or fall short of comparability, depending on the relative worth of Federal benefits. This highly flexible approach to TCC was recommended by the staff of the Federal Personnel Management Project. The two narrower approaches would still be possible within the confines of overall total compensation comparability.

A third issue is the proper institutional setting for attaining total comparability. The TCC methodology being developed would be consistent with a number of approaches to setting pay and benefits, including specific benefit adjustments legislated by Congress to maintain overall comparability, and authorization of the President to institute benefit adjustments under the program, subject to Congressional disapproval. A specific institutional setting for TCC would be contained in any legislative proposal to implement a Federal TCC system.

Current Benefits Comparability

Although the basic rationale for TCC—the need for a fully coordinated compensation policy—does not focus on the current level of any benefit, considerable interest centers on the question of the relative worth of current Federal and private benefits.

A common conception is that Federal benefits far exceed those provided in the private sector. While the private data needed to determine the degree of comparability will not be available until the BLS data collection is completed, private compensation experts advising the Federal Personnel Management Project were almost equally divided on the question of whether Federal benefits are generally better or worse than private sector benefits. The most that can be said at this point is that any overall benefit differences are likely to be relatively small. Such a result would ease the implementation of a TCC system, since no major compensation corrections would be necessary. CSJ

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EMPLOYMENT TRENDS

Trends in Federal Civilian Employment

The size of the Federal civilian work force from 1816 to the present reflects basic changes in the United States itself as it has progressed from a primarily agricultural society to the complex industrial economy that exists today. The size of the work force at any one time is in direct proportion to citizen demand for services. Fluctuations are traceable to wars and the need to cope with problems of pollution, urban decay, unemployment, etc. Nevertheless, since 1972 the work force has stabilized at 12 Federal civilian employees per every 1,000 people in the United States.

In 1816, the Federal civilian work force numbered about 5,000 (.6 employee per 1,000 population). By 1900, it had grown to 200,000 (2.6 employees per 1,000 population). At the onset of World War I, there were 400,000 employees; and by the end of the war, 855,000. By 1923, civilian employment decreased to 540,000—still some 140,000 above the pre-war level.

These changes were due primarily to wartime growth and post-war de-

Table 1
Trend of Average Federal Civilian Employment in the United States by Branch and Selected Agency **Calendar Years 1950—1978**

Calendar Year	Total	Legislative	Judicial	Executive Branch				
				Total	Defense	U.S. Postal Service	Veterans Admin.	Other
1950	1,928,200	23,100	3,700	1,901,300	736,600	512,500	188,100	464,000
1951	2,302,100	22,600	3,800	2,275,600	1,100,800	517,700	180,900	476,300
1952	2,420,200	22,600	3,900	2,393,700	1,199,100	538,300	175,500	480,800
1953	2,304,800	22,200	3,900	2,278,800	1,130,600	526,500	177,900	443,700
1954	2,187,500	21,900	4,000	2,161,600	1,027,300	529,200	178,400	426,700
1955	2,187,600	21,600	4,100	2,161,900	1,027,900	530,000	176,600	427,400
1956	2,210,000	21,900	4,300	2,183,800	1,034,100	535,300	176,400	438,000
1957	2,219,000	22,100	4,600	2,192,400	1,007,300	551,400	174,600	459,100
1958	2,191,200	22,100	4,700	2,164,400	960,300	562,800	171,500	469,800
1959	2,196,700	22,500	4,800	2,169,300	941,300	572,900	171,100	484,100
1960	2,234,500	22,500	4,900	2,207,100	915,800	585,000	172,000	534,300
1961	2,243,900	23,200	5,100	2,215,600	919,000	594,900	173,900	527,900
1962	2,339,900	23,700	5,500	2,310,700	963,300	597,200	175,500	574,700
1963	2,357,800	24,100	5,700	2,328,100	949,200	598,400	172,300	608,200
1964	2,347,800	24,500	5,800	2,317,500	933,700	599,900	171,300	612,600
1965	2,377,900	25,400	5,900	2,346,600	938,500	614,200	165,700	628,200
1966	2,563,900	26,000	6,000	2,531,900	1,023,600	680,900	166,200	661,100
1967	2,719,000	27,400	6,300	2,685,300	1,108,600	713,800	170,600	692,300
1968	2,736,400	28,100	6,500	2,701,800	1,107,100	723,500	171,300	699,900
1969	2,757,500	28,900	6,700	2,721,900	1,125,500	732,400	169,100	695,000
1970	2,729,300	29,800	6,800	2,692,600	1,043,900	735,100	167,700	745,900
1971	2,696,200	31,300	7,700	2,657,100	1,009,800	726,400	176,000	745,000
1972	2,683,700	32,600	8,300	2,642,800	995,000	698,200	187,100	762,400
1973	2,663,300	34,000	8,700	2,620,600	961,000	693,100	193,800	772,700
1974	2,724,100	35,900	9,400	2,678,800	964,100	704,900	202,300	807,500
1975	2,747,800	37,300	10,300	2,700,200	954,600	696,600	212,600	836,400
1976	2,733,200	38,400	11,200	2,683,700	929,900	670,900	218,600	864,300
1977	2,727,600	39,400	12,300	2,675,800	917,600	654,300	221,600	882,300
1978(May)	2,755,900	40,100	12,800	2,703,000	911,300	648,300	232,000	911,400

NOTE: Averages rounded independently and do not add to totals.

Data includes employees exempted from personnel ceilings in the Youth, Public Service Careers, and Worker Trainee Opportunities Programs.

Table 2
Trend of Average Total Civilian Labor Force, Federal Civilian Employment, and State and Local Government Employment in the United States **Calendar Years 1960—1978**

Calendar Year	Annual Averages (In Thous.) Total Civilian Labor Force a/	Employed	Government Employment: Federal Civilian Employment	Government Employment: All State & Local Gov't a/	Government Employment: All Gov't Units	Federal as Percentage of all Gov't Units	Percentage of Federal to Employed Labor Force	Percentage of State and Local to Total Employed Labor Force	Non-Gov't	Percentage of Non-Gov't to Employed Civilian Labor Force
1960	69,628	65,778	2,235	6,083	8,318	26.9	3.4	9.3	57,460	87.4
1961	70,459	65,746	2,244	6,315	8,559	26.2	3.4	9.6	57,187	87.0
1962	70,614	66,702	2,340	6,550	8,890	26.3	3.5	9.8	57,812	86.7
1963	71,833	67,762	2,358	6,868	9,226	25.6	3.5	10.1	58,536	86.4
1964	73,091	69,305	2,348	7,248	9,596	24.5	3.4	10.5	59,709	86.2
1965	74,455	71,088	2,378	7,696	10,074	23.6	3.4	10.8	61,014	85.8
1966	75,770	72,895	2,564	8,227	10,791	23.8	3.5	11.3	62,104	85.2
1967	77,347	74,372	2,719	8,679	11,398	23.9	3.7	11.7	62,974	84.7
1968	78,737	75,920	2,736	9,109	11,845	23.1	3.6	12.0	64,075	84.4
1969	80,734	77,902	2,758	9,444	12,202	22.6	3.5	12.1	65,700	84.3
1970	82,715	78,627	2,729	9,830	12,559	21.7	3.5	12.5	66,068	84.0
1971	84,113	79,120	2,696	10,192	12,888	20.9	3.4	12.9	66,232	83.7
1972	86,542	81,702	2,684	10,656	13,340	20.1	3.3	13.0	68,362	83.7
1973	88,714	84,409	2,663	11,075	13,738	19.4	3.2	13.1	70,671	83.7
1974	91,011	85,935	2,724	11,453	14,177	19.2	3.2	13.3	71,758	83.5
1975	92,613	84,783	2,748	11,973	14,721	18.7	3.2	14.1	70,062	82.6
1976	94,773	87,485	2,733	12,215	14,948	18.3	3.1	14.0	72,537	82.9
1977	97,401	90,546	2,728	12,463	15,191	18.0	3.0	13.8	75,355	83.2
1978(May)*	100,261	94,112	2,756	13,123	15,879	17.4	2.9	13.9	78,233	83.1

a/ Data compiled by the Bureau of Labor Statistics: *Employment and Earnings.*
* Preliminary

cline in the predecessor agencies of what is now the Department of Defense. The Department of Defense continues to be the largest Federal employer, and therefore heavily influences changes in Federal civilian employment.

In 1939, Federal civilian employment had not yet reached 1 million. However, by the end of World War II, there were nearly 3 million civilian employees, reduced to just under 2 million by 1950.

A similar pattern of growth and decline occurred during the Korean and Vietnam conflicts, though on a smaller scale. Employment peaked at 2.42 million in 1952 and 2.76 million in 1969.

Since 1950, Federal civilian employment in the legislative branch has risen from 23,000 to about 40,000. In the judicial branch, employment has grown from 3,700 to over 12,000. (See table 1.)

At the end of May 1978, Federal civilian employment in the executive branch numbered 2.7 million, with less than a million in Defense. Since the buildup due primarily to the Vietnam conflict in the middle 1960's, Federal civilian employment in the executive branch has declined despite increases in Federal services and population growth. The subsequent workload demands have been met to a large extent by increased productivity and more application of computers and other technological improvements.

During the last 10 years, employment in the U.S. Postal Service has decreased, despite the ever-increasing flow of mail to a larger population. Law enforcement organizations in the Department of Justice and other agencies have staffed more fully to cope with crime and to control misuse of drugs, to meet the provisions of the Speedy Trial Act and the Freedom of Information Act, and to administer the U.S. courts and penal system. In the health and social areas, the Veterans Administration has enlarged its staff to care for both the new veterans and the older ones who now require more care, and also has new medical facilities and medical programs for an increased number of veterans.

Also, the Social Security Administration has required more employees to handle increased benefits and more claims, as additional citizens become eligible for social security benefits. The Federal Aviation Administration is increasing its staff to meet the ex-

Table 3

Federal Civilian Employment — Total, 1955 to 1975, by State and Other Areas

State (or Other Area)	1955	1960	1965	1970	1975	1955—1975 Difference	1955—1975 Percent Change
Alabama	50,134	60,867	59,458	54,308	58,507	8,373	16.7
Alaska a/	—	12,556	13,402	14,481	15,067	2,511	20.0
Arizona	15,765	19,797	22,664	27,502	33,564	17,799	112.9
Arkansas	14,940	13,107	15,066	16,561	18,693	3,753	25.1
California	230,253	239,464	265,122	303,536	297,844	67,591	29.4
Colorado	32,796	33,909	37,757	42,314	48,702	15,906	48.5
Connecticut	12,152	14,649	16,375	20,440	20,961	8,809	72.5
Delaware	3,212	3,372	3,699	4,719	5,215	2,003	62.4
District of Columbia	163,316	168,991	192,889	192,918	203,831	40,515	24.8
Florida	42,372	47,950	57,201	69,343	78,441	36,069	85.1
Georgia	54,895	55,500	64,871	73,764	74,981	20,086	36.6
Hawaii a/	—	22,091	23,671	26,338	25,299	3,208	14.5
Idaho	5,797	6,214	7,605	8,155	9,816	4,019	69.3
Illinois	100,078	98,915	104,095	110,726	106,595	6,517	6.5
Indiana	33,651	31,682	34,996	44,447	40,759	7,108	21.1
Iowa	15,852	15,790	16,737	18,067	19,179	3,327	21.0
Kansas	22,154	21,058	19,723	22,329	23,153	999	4.5
Kentucky	28,298	27,604	27,972	34,685	35,946	7,648	27.0
Louisiana	23,998	22,878	26,681	27,586	30,551	6,553	27.3
Maine	14,726	17,295	15,054	15,077	12,061	-2,665	-18.1
Maryland	71,198	75,526	96,925	121,814	131,290	60,092	84.4
Massachusetts	60,038	62,246	60,882	63,481	58,445	-1,593	-2.7
Michigan	38,638	42,399	47,267	53,436	54,603	15,965	41.3
Minnesota	24,101	24,592	26,749	29,286	30,323	6,222	25.8
Mississippi	15,861	15,696	17,626	20,278	24,091	8,230	51.9
Missouri	47,572	49,959	56,114	65,028	66,428	18,856	39.6
Montana	7,185	8,405	9,848	10,292	12,166	4,981	69.3
Nebraska	18,256	15,402	14,927	15,090	16,137	-2,119	-11.6
Nevada	5,202	5,842	7,411	8,051	8,934	3,732	71.7
New Hampshire	3,200	3,595	4,433	5,467	10,238	7,038	219.9
New Jersey	49,760	53,835	58,265	65,870	71,017	21,257	42.7
New Mexico	18,714	22,790	24,239	25,051	26,891	8,177	43.7
New York	184,936	179,784	173,513	177,834	172,270	-12,666	-6.9
North Carolina	27,217	28,491	31,298	37,331	42,337	15,120	55.6
North Dakota	5,923	5,863	7,025	8,051	9,115	3,192	53.9
Ohio	94,308	88,785	93,405	96,922	93,561	-747	-0.8
Oklahoma	40,858	42,098	46,882	52,836	47,715	6,857	16.8
Oregon	17,239	19,964	22,023	24,109	25,646	8,407	48.8
Pennsylvania	133,984	129,084	133,325	137,693	132,314	-1,670	-1.3
Rhode Island	12,995	12,343	13,154	14,619	10,064	-2,931	-22.6
South Carolina	21,984	22,461	25,770	29,301	30,729	8,745	39.8
South Dakota	8,582	8,984	9,131	9,251	10,800	2,218	25.8
Tennessee	37,753	34,052	40,654	44,803	55,418	17,665	46.8
Texas	112,104	112,647	126,699	144,666	149,638	37,534	33.5
Utah	26,018	26,443	32,497	38,250	35,260	9,242	35.5
Vermont	3,191	3,057	3,160	3,653	4,366	1,175	36.8
Virginia	111,903	103,560	107,605	138,764	143,002	31,099	27.8
Washington	53,377	45,643	48,279	52,563	57,779	4,402	8.3
West Virginia	10,721	10,540	11,637	13,279	15,588	4,867	45.4
Wisconsin	19,845	20,368	22,283	25,542	26,757	6,912	34.8
Wyoming	5,260	4,695	4,984	5,186	6,080	820	15.6
Total, United States	2,152,312 b/	2,212,838	2,403,048	2,665,093	2,738,167	585,855	27.2

a/Comparisons for 1955—1975 cannot be made for Alaska and Hawaii. Alaska became a State on January 3, 1959, and Hawaii on August 21, 1959. Comparisons for Alaska and Hawaii are for the years 1960—1975.

b/ Excludes Alaska and Hawaii.

NOTE: Data as of December 31. Excludes Central Intelligence Agency, National Security Agency, and temporary Christmas assistants of the U.S. Postal Service.

pected growth of aviation activity and the forecasted expansion of airway facilities.

Despite all these requirements, increased productivity and fewer employees in other agencies have kept Federal civilian employment fairly stable over the last decade.

Within the United States, only California and the District of Columbia have over 200,000 Federal civilian workers. Six States, however, have over 100,000 Federal civilian employees: New York, Texas, Virginia, Pennsylvania, Maryland, and Illinois. Seven percent of all Federal employees work in the District of Columbia, headquarters for most Federal agencies; since parts of the adjoining States of Maryland and Virginia are in the Washington, D.C., area, employment totals in these States are also quite high. California, New York, Pennsylvania, and Texas, the most populated States in the country, proportionately employ large numbers of Federal workers. Illinois, the other State employing over 100,000 Federal civilians, has over 40,000 working for the U.S. Postal Service alone. Vermont has the smallest Federal civilian population, with just over 4,000 employees.

Federal civilian employment by State over the past two decades is shown in table 3. New Hampshire and Arizona have had the largest percentage increases, while Rhode Island has had the largest percentage decrease. New Hampshire's Federal civilian employment has tripled. Arizona's Federal civilian employment has doubled, keeping pace with its rapid population growth. The decrease in Rhode Island (as well as the increase in New Hampshire) can be seen as the result of civilian employment changes in military branches (primarily the Navy Department).

The number of major population centers, called Standard Metropolitan Statistical Areas or SMSA's, has increased from 192 since the end of the 1950's to 276 in 1975, reflecting the trend toward increased urbanization. (The concept of an SMSA was developed in 1959 and is defined as an integrated economic and social unit with a recognized large population nucleus.) In 1975, the number of Federal civilian employees in SMSA's was 2.2 million or over 80 percent of all Federal employees. Just 15 years earlier (in 1960), that number was 1.7 million or over 75 percent of all Federal employees.

As table 2 shows, State and local government employment has more than doubled since 1960. This reflects the relationship between population growth and the need to provide police and fire protection, road and street maintenance, housing, employment, social services, trash collection, and education for all.

The Federal Government's 2.8 million employees in the United States currently represent 3 percent of the total (employed) U.S. work force of 94 million; combined Federal, State, and local government employment represents 17 percent of the U.S. work force, with the remaining 83 percent employed in the private sector.

Projections would indicate that by 1990 Federal Government employment will be under 3 percent of the employed U.S. work force.

—May Eng

THE AWARDS STORY

Management Improvements Save $181 Million

On May 23, 1978, President Carter personally presented Presidential Management Improvement Awards to eleven employees at a ceremony in the White House Rose Garden. In making the presentations, the President praised the awardees, saying "... They did it through personal imagination, personal diligence, personal initiative ... instead of giving awards once a year on special occasions to a few of the most outstanding employees, what we need most is a civil service system that rewards good performance every day .... Today I want to congratulate these people who personify the spirit of quality in performance that I and they are all de-

termined to extend throughout our Government."

The Presidential Award winners saved the Government $13.5 million. They were selected from among 877 civilian and military personnel whose ideas and achievements beyond job responsibilities saved a total of $181 million.

The President noted that the awardees shared a sense of high achievement and deep dedication with thousands of fellow Government workers, adding that his experience in the White House has impressed on him that civil servants are dedicated, and that they want to do an even better job. The President presented honorary awards to:

☐ Joseph Botbol and Roger Bowen, Interior, for a computer-based system that facilitates handling and analysis of mineral and energy research information and has saved the Government $1.5 million.

☐ Yolanda Carrillo, Treasury, for suggesting a change in correcting data in the Internal Revenue Service ADP System, resulting in about $184,000 savings the first year.

☐ Ernest Corley, Agriculture, for outstanding leadership in the reorganization within the Agricultural Research Service and designing an effective management planning system.

☐ Curtis Helms and Thomas Winstead, NASA, for redesigning the space shuttle external fuel tank, resulting in less cost per flight, higher pay load capability, and total savings of $373,000.

☐ Jack Johnson, VA, for suggesting a change in installing cash registers supplied to hospitals, saving the Government $100,000.

☐ Thomas Mills, Milford Rhodes, and Winfred Hodges, Navy, for suggesting a new way to reclaim fuel oil, saving the Government $189,000.

☐ L. David Taylor, HEW, for outstanding management initiatives that improved the Department's services to the public and saved $6 million.

Presidential Management Improvement Awards are the capstone of a continuing recognition program. Announcing the awards program last October, President Carter urged agency heads to reward civilian and military personnel through the ongoing incentive awards program, and asked them to let him know about suggestions, inventions, or special achievements that produce first-year benefits of $5,000 or more, or represent a major contribution to energy conservation. Each awardee receives a personal letter from the President, which is presented at agency ceremonies.

Each October, heads of agencies choose nominees for the Presidential Management Improvement Award from among those employees who earned a Presidential letter the previous year. Some recent achievements that have merited Presidential letters include:

☐ Richard A. Myers and John W. Shealey, a machinist and foreman machinist at the Charleston Naval Shipyard, designed a device to be used for straightening ships' propellers that reduced the number of hours required for this operation. First-year savings to the Government were $126,852.

☐ Stanley E. Sanders, an electronics technician at the FAA Aeronautical Center, Oklahoma City, Okla., devised a protective circuit that has been applied to all FAA automated radar terminal systems, protecting them from damage during abnormal voltage periods. The system, which behaves like a switch, applies a protective voltage to the display circuitry, and automatically resets it when the voltage returns to normal. Savings for the first year are estimated to be $15,262.

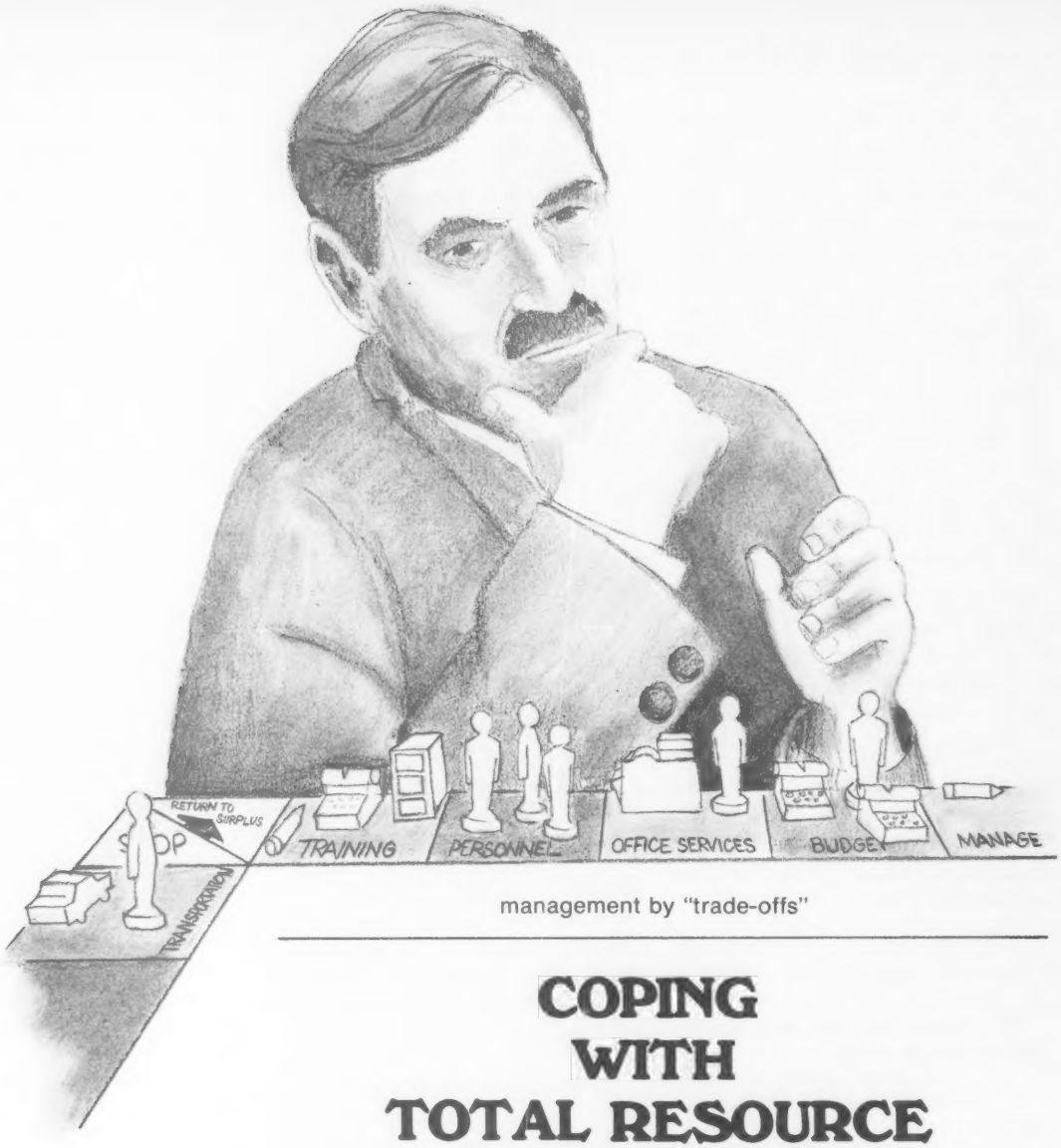
☐ John G. McTigue, a project manager, and Stanley Markley, an engineering technician, at NASA's Dryden Flight Research Center, Edwards, Calif., saved the Government an estimated $80,000 by developing an overland transportation route to move the space shuttle orbiter by truck from Palmdale, Calif., to the Dryden Center. The original plan, which called for the orbiter to be ferried on board a 747, would have cost $2.5 million.

☐ Charles L. Thiel and Arnulfo Q. Antonio, agricultural research technicians with the Department of Agriculture in Columbia, Mo., developed a four-row corn planter for planting different seed in each row. With one tractor driver and two individuals to operate the planter, three men are able to plant four 25-foot plots in six seconds, whereas it would normally require 12 men at least five minutes to hand-plant the same amount. In addition to first-year savings of $6,262, this new planter has increased precision by planting the seeds at the same depth, with uniform seedling emergence.

Leaders in benefits among the 25 agencies whose personnel have been recognized under this program include: Environmental Protection Agency, $76.2 million; NASA, $31.9 million; Navy, $27.8 million; Air Force, $22.2 million; HEW, $14.8 million; GSA, $2.4 million; Treasury, $1.3 million; and Transportation, $1.1 million.

Improvements in Government operations, programs, and services to the public, brought about through constructive ideas and actions of people at all levels of the Federal Government, result in benefits to the taxpayer of approximately $10 for each dollar paid in awards. Therefore, with a modest investment in awards of only about 1/10 of 1 percent of the total Federal payroll, the Government is able to do more, produce more, provide greater service to the public with the same manpower, redirect or divert manpower and/or material resources to other priorities, and conserve energy.

—Edith Stringer



management by "trade-offs"

COPING WITH TOTAL RESOURCE MANAGEMENT

Donald J. Grace

PEOPLE, money, equipment, buildings, supplies—these are some of the resources that every manager must control.

Managers must use complex planning, programming, and budget systems to help determine where resources will be allocated. In many Government agencies, personnel costs, including salaries and benefits, eat up 80 percent of the total dollars available. The remaining 20 percent is used for all other expenses—equipment, travel, energy costs, space, etc.

In many organizations, such as those involving research, this low percentage of nonsalary funds can re-

sult in inefficiency. It has become very important, therefore, that the manager have a mechanism with which to analyze the trade-offs to be made in deciding to increase one category of expenditure at the expense of another. It is especially important that this mechanism allow the manager to assess the impact of personnel decisions, such as whether to fill a vacancy, hire at a lower grade, abolish the position, or change the mix of professional and support positions.

History and Old Concepts

The Federal Government has long recognized the dilemma of its managers in coping with increasing personnel costs while managing total resources as effectively as possible. In 1965, Charles L. Schultz, then Director of the Bureau of the Budget (now OMB), signed Circular Number A-64, urging agencies to develop systems for dealing with these problems. The term "position management" was used to describe these efforts. Circular A-64 said, "The President expects each agency head to pursue vigorously the efforts of his agency to achieve lower employment levels and increased productivity through tighter management, aggressive manpower utilization programs, simplification of procedures, and stripping work to essentials; and to assure strict observance of the employment ceilings."

The circular went on to say that each department and agency should develop and maintain a position management system designed to assure that the work is organized and assigned among positions to serve mission needs most effectively and economically.

In the 13 years since then, agencies have tried time and again to develop and implement systems for position management. Many of these systems provided for:

☐ One or more position management officers.

☐ Annual plans.

☐ Several levels of review of the plans.

☐ Scrutiny of vacant positions for possible restructuring or abolishment.

☐ A formal table of organization.

An inherent weakness of such systems was their operation above or alongside the day-to-day managerial process. They were never fully integrated into management's decisions on resource utilization, nor directly tied to budget planning. Line managers received no guidance on planning targets or goals other than to stay within personnel ceilings.

Another basic failing of early attempts at position management was the tendency to assign responsibility for the program to one staff office—personnel, manpower, budget, or program review—without providing for the full use of total staff. This happened in spite of clear language in Circular A-64: "In carrying out their responsibilities, line managers should utilize budget, planning, management analysis, personnel, and other special staff in the development and continuing operation of an effective position management system in the organization. It is especially important that the work of the different staff elements be coordinated and mutually supporting."

A final problem with many position management systems was that they held positions in a vacuum, isolated from such considerations as money, equipment, facilities, and other expenditures. The theory seemed to be that lower employment levels, a leaner work force, and better organization were goals, in and of themselves, that would be considered worthy of pursuit by line management. However, managers commonly assumed that fewer, lower graded personnel could not possibly do the job as well as more, well-trained, experienced personnel. Therefore, a leaner work force was not adopted as a worthy goal.

Position Resource Management

A system recently developed by the Department of Agriculture's Science and Education Administration (SEA) appears to have overcome many of the obstacles that have hobbled previous attempts at position management. This is probably due to the fact that the system was developed by a task force consisting of personnel, budget, program planning, and line management representatives from all levels of the agency. The task force was led by Francis J. Longen, Associate Deputy Administrator for Administrative Management.

The system treats position management as a major element of total resource management. It recognizes that line managers are allocated funds and then shape their plans, programs, and accomplishments around available dollars. Managers make daily decisions regarding the need for staff, promotions, travel, supplies, equipment, maintenance, and space. These decisions determine whether they will have enough staff to do the job or funds to support the staff and facilities.

The role of management, above the first-line manager, is to review, analyze, adjust, or support the decisions of subordinates. Each higher level supervisor above the first-line manager has the opportunity to influence the program or project planned and the funds or other resources assigned. Staff groups can also influence programs. Finally, the system recognizes that the funds allocated to management units at the beginning of a fiscal year are all a manager can rely on, and that this information must be used in developing plans for resource allocation.

The system is called position resource management. This name emphasizes two key points: (1) The manager is dealing with total resources; (2) positions, including organization of work and personnel costs, are the largest component of the total. The name attempts to place position management back in its proper context.

How It Works

The main features of position resource management are:

1. *Documentation*

☐ The summary. This document, prepared by first-line managers, sets forth specific criteria for assigning resources. It guides the managers in stating the present distribution of resources and determining the goal of a better mix of those same resources.

A key segment is "Management Criteria." In SEA, managers monitor a few key indices to determine at a glance the financial health of an organizational unit. This is similar to managers in the private sector watching the Price/Earnings Ratio of a company's stock and the rate of return on investment. The indices chosen by research managers are the Salary : All Other Funds ratio, the number of support years per Scientist Year (SY), and the dollars available per scientist.

Additional thought and new concepts are needed, however, to develop similar criteria for other programs so that the system can be made most meaningful. A unique feature of position resource management is that each supervisor determines the goals in terms of the "management criteria" and in light of his or her special problems and program needs. For example, one research group may set a goal of 50 percent in salaries; another, 90 percent.

☐ Implementation plan. The implementation plan documents and explains the agreement reached by three levels of management on actions necessary to move the management unit from the current organization to the desired staffing structure. The first of these documents is a staffing chart that graphically displays both the existing organization and staffing goals. The second document is a narrative description of actions planned, under various plausible contingencies, for achieving progress toward the desired resource mix.

2. *Timing*

At least once a year, managers at all levels become deeply involved in financial planning for the coming year, usually 4 to 5 months before the beginning of the fiscal year. Guidelines on funds available are provided down through the organization to the lowest management units.

In preparing financial plans, managers must decide how much they will spend for salaries and for other expenses such as travel, supplies, equipment, and utilities. Also, they must consider the impact of planned promotions, more employees, within-grade increases, inflation, and other items. Position resource management plans are developed along with financial plans, and should be completed and approved before the beginning of the fiscal year.

This integration of position management with financial planning is critical to the effectiveness of the position resource management system and, in turn, to the accomplishment of the agency mission. Far too often in the past, managers have justified existing and growing staffs, and then struggled through the year with not enough equipment, instrumentation, space, or training, etc. Position resource management helps to identify and deal with these situations while decisions to reallocate resources can still be made.

3. *Review and approval of plans*

The basic planning level for position resource management is the management unit. In SEA this is the research unit in research organizations or the branch in staff organizations.

Plans are submitted to the next higher organizational level for review and balancing of plans among units. Once agreements have been made at this second level, plans are submitted to the third level of management for final review and approval.

4. *Changes*

Inevitably, conditions change during the year. Minor changes can be made at the local level by approval of the second-line manager. Major changes involving new or discontinued programs, or other significant impacts, are reflected on revised position resource management documents, submitted to the third-level manager.

Results

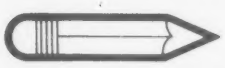
Organizations which have fully implemented position resource management have seen dramatic results. The system has been used by one major research center to deal with budget cuts and program redirections. Over a 3-year period, all management criteria goals have been met or exceeded. This has meant more money available after personnel costs have been met; more technicians supporting the scientist; and more dollars available for direct support of the scientist.

Another major center had been unable to maintain adequate supplies, a recurring problem for several years. Supply and inventory specialists had used several control procedures to alleviate the situation. Position resource management plans revealed that the supply problem could be traced to management decisions to divert supply funds to other purposes. With this information, management could decide whether the funding decisions were proper in light of the consequences.

An additional effect has been to involve first-line leaders in the resource decisions affecting their projects. The position resource management plans enable the research leaders to analyze the distribution of their resources and make more realistic recommendations to their managers.

In summary, position resource management is designed to help the manager make staffing and funding decisions. It pulls together the financial details and funding decisions about an organization's total resources. It forces the manager to make more realistic decisions based on available funds. It builds on the existing budget process rather than functioning above or alongside it. Finally, it provides an opportunity to achieve "Circular A-64" objectives and organize work to serve mission needs most effectively and economically. CSJ

The Author is Chief of the Personnel Research, Analysis, and Evaluation Staff in the Department of Agriculture's Science and Education Administration.



PERSONNEL RESEARCH ROUNDUP

Testing Applicants in Puerto Rico: In English or en Español?

For some time, the Civil Service Commission has had a special problem in testing job applicants in Puerto Rico: Spanish is the official language of Puerto Rico, but English is used on the tests. Both languages may be used to varying degrees on the job.

Historical Perspective

Puerto Rico was colonized by Spain and remained within the Spanish empire until 1897, when it was granted self-government. The island retained the status of a protectorate, however, and when Spain lost the Spanish-American war, Puerto Rico passed into the colonial empire of the United States. It was granted its present Commonwealth status in 1952.

During the four centuries that Puerto Rico was part of Spain's colonial empire, all segments of the Puerto Rican population, including native Indians and resettled Africans, adopted the language of the colonizing country. Thus, to this date, Spanish is the official language of the Commonwealth and all business, governmental and private, is transacted in Spanish. English is learned as a second language.

The result is the present dilemma. On the one hand the official language is Spanish and many services provided locally must be conducted in that language. On the other hand, Federal manuals, forms, and other publications are in English, and Federal business outside Puerto Rico is transacted in English.

Technical Study To Be Conducted

In February 1978 CSC decided to investigate the linguistic composition of Federal jobs in Puerto Rico. Subsequently, the Commonwealth decided to make it a cooperative effort by adding its own jobs to the study. Psychologists in CSC's New York Regional Office, in the Personnel Research and Development Center, and in the personnel office of the Commonwealth government will conduct the study.

The first step will be to administer a clerical task inventory asking each worker—in Spanish or English, depending on the individual's preference—to provide information on three aspects for each task: whether or not they do the task; how long it takes; and which language they need to do it. Results of the inventory should reveal clearly the linguistic needs of the job.

Three possibilities exist for each job: that the linguistic composition is purely Spanish; purely English; or mixed, with either language dominant.

For jobs that are conducted strictly in English, the present Federal testing program will remain in force. For jobs conducted either purely in Spanish or in both languages, the Federal testing program would be modified to the extent feasible. This would entail unprecedented research and development and would constitute an interesting and historical undertaking by the Commission.

—Magda Muñoz-Colberg

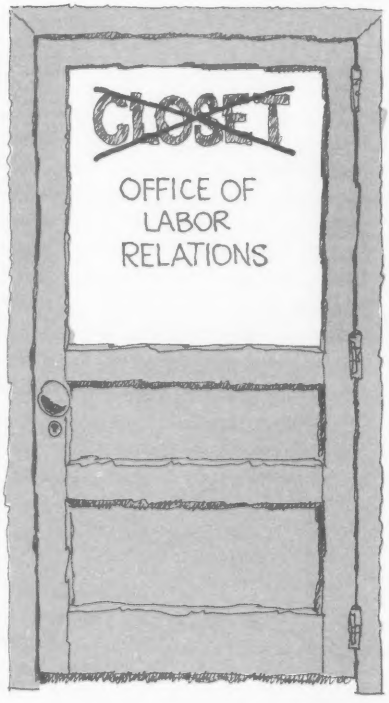
THE BUREAUCRACY AND LABOR RELATIONS

by Robert Sebris, Jr.

". . . Agencies should work to elevate the status of personnel management and labor relations, raising it from out of the bowels of the Office of the Assistant Secretary or Director for Administration and into 'an integral relationship with program management.' "

THIS STARK QUOTATION from the Bureau of National Affairs' "Government Employee Relations Reporter" was offered by educator Chester Newland, head of the Federal Personnel Management Project Task Force on Labor Relations. This rather blunt metaphor connotes a serious problem in the Federal service—that the labor-management relations function is too often relegated to a lowly position in the organization. While President Carter's reorganization project is seeking to change the entrenched Federal personnel management system, perhaps it is also timely to reassess the place of labor relations in our "bureaucracy."

In its pejorative sense, a bureaucracy is viewed as a system of administration so marked by its officialism, red tape, and fixed, almost arbitrary, rules and procedures that it sometimes seems to exist for perpetuation of the bureaucracy's or the bureaucrat's own sake. This might help explain why the labor relations staff has often been buried in the depths of the Federal organization.



Intrinsically, labor-management relations is a function of change. Unions try to force their desired positions and views on management, and the labor relations function is management's agent for responding to that outside force. Bargains are made and deals are cut that alter established practices and methods. A rigid bureaucrat, living in a world of rules and regulations, may not be very comfortable with this environment of change, and consequently, consciously or not, tends to place labor-management relations low on the Federal organization totem pole—where it has to go through so many channels or layers that its voice is often diluted, perhaps not even heard by top management directly.

Out of the Closet

With the growing strength of public sector unions, with employee concern for their future under revamped systems of Federal management, and with President Carter's commitment to reconstruct the Federal bureaucracy, maybe it's time for top managers to reconsider their organizational charts and move labor relations functions and planning out of the closet.

In many Federal organizations there is much layering—a long chain-of-command that moves upward through several layers and tends to isolate labor relations from top management.

Often the labor relations staff reports through several levels of management that don't understand, or have experience with, labor relations concepts or problems. That's not a serious problem when there is a relatively low-key labor union situation, but if an aggressive union is in the picture, such layering courts crisis and inefficiency. In the "layer" situation, when the labor relations advice isn't what the manager wants to hear, the old "end run" can be too easily used to obtain different, more personally favorable, directives or advice from whomever the labor relations function reports to.

It is the past public position of the Civil Service Commission and the Office of Management and Budget that labor-management relations be "totally integrated" with personnel management. This does not necessarily require that it be a support component in a personnel office, but that has usually been the interpretation. Some of our more sophisticated agencies have moved labor relations to a more independent position, e.g., Federal Aviation Administration, Department of Labor, and the U.S. Postal Service.

Away From Personnel

If the labor relations office is located in personnel, it too often can be limited to an advisory service, which advises someone else, who advises someone else, who in turn advises someone else. The labor relations office may have direct access to the unions, but top management is often sequestered away, sometimes not reachable without major gyrations. This, however, is in obvious conflict with the essence of labor relations, which is to establish policies and procedures for the Federal agency's dealings with its employees' exclusive representative. But too often, the labor relations staff reports to an employee relations staff, which may report to a deputy personnel director, who reports to a personnel director, who reports to the agency's administration director, who may or may not directly report to the head of the agency. This is clearly not the horizontal organization so many management theorists preach.

As Civil Service Commission Chairman Alan K. Campbell recently noted, the Federal agency administrative "vice president" is generally not high enough in the organization to exert the kind of influence as a peer of top management that is most necessary and effective. If this is the case, what happens then to that labor relations advice that is started up the rungs of the ladder from the bottom of the management chart? Generally, it is diluted, reinterpreted, and delayed. This functional separation and distance is in direct conflict with a very important labor relations element—efficient, quick, and clear communication within management.

The person acting as the Federal agency's "vice president for industrial relations" should be well schooled and educated in labor relations concepts and principles once a union is on the scene. However, that "vice president" must permit a labor relations staff flexibility and latitude for direct dealings with top management. The labor relations support staff and top management must be able to work directly together in a mix that best meets the needs of the agency.

The thrust of this article may offend many "dyed-in-the-wool" personnelists. But the Federal sector's personnel management scene is changing through growing union pressures that must be met. "Personnel" in the Federal service in its usual form is a large, para-professional function that generally implements established rules on hiring, classification, and related paperwork. Personnel "policy making" may, or may not, be a formal structure within that group, but this function is of great consequence in formulating and implementing labor relations policies. Labor relations, it must be remembered, establishes and makes commitments and policies for the agency with its unions, not just for personnel, but in a wide range of nonpersonnel subjects directly related to operations, e.g., safety and health, equal employment opportunity, travel, hours of work—the administrative areas that keep the agency moving, accomplishing its primary mission.

In many situations the labor relations staff reports to the personnel director, who may be an expert in classification or staffing, but who usually doesn't know much about the dynamics and responsibilities of labor-management relations. In fact, the personnel director may feel "threatened" by this force, which makes new policy dramatically and slows management's desired changes because of negotiations obligations.

Closer to Top Management

In the past, the old organizational chart was fine, given the restricted Federal scope of bargaining and less demanding unions. But that is not now the case, and the situation will be changing even faster in coming years. Management, too, is learning to be more aggressive at the negotiating table. More subjects will be negotiable in the future, more of the agency's "pocketbook" will be on the table. Consequently, the office or staff making those commitments should have direct and open access to top management, in order to chart management's positions properly, i.e., in tune with top management's latest thinking. "Layering" just doesn't make sense.

Top management must thoroughly understand the dynamics and cost impact of its labor relations program and commitments. This necessitates evolving the place of the labor relations staff to a new level in an agency. But since personnel often effectively controls the agency's organizational structure, and the first rule of any bureaucratic function is to defend existing turf, this will probably be a long, gradual, even bitter,

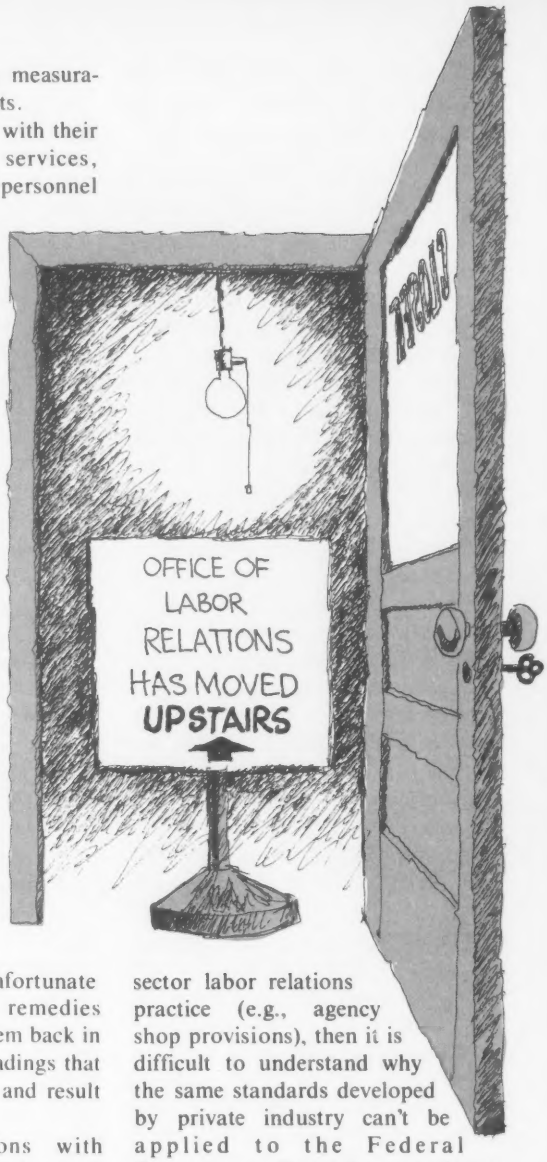
conversion. This is not to say that such rigidity is maliciously contrived, but certainly it protects the existing power structure and resists change. As union pressures grow, as collective bargaining grows ever more pervasive, and as union influences become stronger, such changes will be inescapable.

On a Par With Budget and Legal Staffs

Other serious concerns involve the interface of budget and legal staff with labor relations. Again, the Federal service has not yet fully discovered that labor relations must be at least equal to these other functions. While the Federal service still does not negotiate wages and struggles with the archaic system of "position ceiling restriction" management, the budget function usually doesn't fully appreciate the long-term, overwhelming impact the union will have in its operations. Although the scope of bargaining is still quite narrow in the Federal service as compared to private industry, a private sector budget director would be greatly shocked if he or she were told that his/her Federal sector counterpart has little interest in involving his/her function in the labor relations decisionmaking process.

Presently, there doesn't seem to be enough budgetary awareness of the cost-impact of the entire labor-management relations program, and budget usually doesn't get involved in such measurements or specific cost analysis. Ironically, even though a Federal agency has considerable latitude with its budget development relating to resources and expenditures of billions of dollars, the allocation of wage increases is still centrally tied to the Congress and the President, with all the inevitable political gamesmanship that this connotes. As more money items are gradually put on the Federal bargaining table, the budget area will be well-served to have cultivated a good understanding of the present process and all its measurable, indirect, and direct costs.

If agencies can negotiate with their own funds for facilities, services, supplies, equipment, and personnel (contracted-out work or consultants), it's difficult to see why wages will eventually turn out to be any less negotiable for the bulk of the Federal work force. And recent serious classification problems have emerged through "grade inflation," which some have argued is the way management has gotten around politically motivated, low wage increases established by Congress and the President. If there had been more discretion for agency management (with consequential involvement of collective bargaining), perhaps as low, or lower than, departmental or regional levels, the classification system would not have been so stretched and distorted by "grade-creep." The unfortunate present situation and its remedies bring the classification system back in line, but only with downgradings that are tough on the emotions and result in morale problems.



Bilateral determinations with legislative approval or rejection, roughly similar to what happens on the State and local scene, would give more flexibility to agency management, would create more managerial accountability (critical to more effective management), and combined with other management innovations, would add to more efficient Government operations. As Kenneth Moffet, Deputy Director of the Federal Mediation and Conciliation Service, recently noted at a conference on Federal service labor relations, if State and local governments are to be forced to yield to the traditional coverage for employees created by the pressures of private sector labor relations practice (e.g., agency shop provisions), then it is difficult to understand why the same standards developed by private industry can't be applied to the Federal Government. Certainly, experiences with the Bureau of Mines, Bonneville Power Administration, Tennessee Valley Authority, and others have shown it is not disastrous, and in fact can work well.

In the Cause of Better Management

Management must have more latitude in motivation and discipline. A shining star in the Carter reorganization project is the potential stripping of many of the statutory appeals processes, with labor contract arbi-

tration as a quicker and cleaner optional replacement for the grievant. At last count there were over 20 statutory appeals procedures, so cumbersome and legalistic that they clearly inhibit managers and supervisors. Hard, but necessary, decisions often aren't made because of the court-like forums and the intricate and time-consuming procedures that almost always envelop the manager who *wants* to take action, but *can't* without a "translator." The unions recognize these inhibitions, and some are now fighting the innovations.

Under the Carter system, more nonlawyers will be better able to deal with the system on a day-to-day basis, will be able to cope with it at less cost, and will be able to run more efficient operations. This is help management can use.

If greater efficiency is sought, then more flexibility and accountability will be needed. Budget people, who will be increasingly affected by the results of labor relations, must improve their understanding of it so that they and labor relations staffs are effective and educated allies.

Similarly, the role of legal counsel must be studied and refined. The control-versus-assistance concept seems to vary in many agencies. General Counsel, a prestigious function in all agencies, is usually independent of the other administrative areas (basically, personnel, budget, labor relations, audit, or facilities). With the Federal labor relations problems of excessive layering, and General Counsel's usually easier access to top management, ironically the labor relations function sometimes has less policy clout in labor relations decisions than does the legal function that should be "advising" and servicing its needs. Often, legal counsel and the aura of the attorney "snows" the manager.

Certainly, General Counsel can point to problems and offer helpful guidance and assistance, but the labor relations function should have the primary relationship with top management, in developing and implementing the labor relations program. If the Federal labor relations system is streamlined, perhaps the involvement and influence of General Counsel can be put in proper perspective.

Federal service labor relations is going through growing pains, and has a considerable distance to go. For the long run, bold and innovative organizational changes must be weighed and considered. Most likely, and perhaps understandably, the typical personnelist will not lead the way for such changes. As with private industry and State and local systems, however, sooner or later top agency managers will recognize the needs and insist that the labor relations function be directly accountable and accessible to them.

Labor relations is the heartbeat of the organization, as it charts the agency's relationship with its employees. For good or ill, the pressure and influence of Federal employee unions will increase with the years. The Federal agency's organizational chart will have to evolve and adjust to ensure that management effectively meets the challenges and demands of labor-management relations. CSJ

The Author is Labor Relations Officer, Bureau of Government Financial Operations, Department of the Treasury. The views expressed in this article are his own and do not necessarily reflect those of the Bureau or the Department of the Treasury.

did you know?

Part-Time Employment

☐ The number of permanent part-time workers in Federal agencies has increased by about 20 percent, from 42,966 in February 1977 to 51,296 in February 1978. This happened during a period in which the total Federal permanent work force decreased by more than 6,000 positions.

☐ In the Washington, D.C., area, permanent part-time Federal employees increased from approximately 5,200 in February 1977 to almost 6,000 by February 1978.

☐ Among the steps CSC is taking to further part-time employment is its establishment of a part-time employment coordinator position and staff in Washington, D.C., phone (202) 632-6817. This activity has provided technical advice and assistance on part-time employment to almost 2,000 people and organizations in the last year.

☐ Five agencies will participate in the test of a new system designed to break down perceived barriers to part-time employment. The system that CSC and OMB are testing during FY 1979 is called Full Time Equivalent (FTE), and it will count employees for ceiling purposes according to the number of hours they work (the present system counts employees on a one-for-one basis whether they work 1 or 39 hours a week). Agencies participating in the test are Veterans Administration, General Services Administration, Environmental Protection Agency, Federal Trade Commission, and Export-Import Bank.

Flexitime

☐ Flexitime has been adopted in more than 150 Federal installations. More than 140,000 Federal employees are now working on flexible work schedules.

PERSONNEL POLICIES AND STANDARDS

This is the third in a series of articles on how Federal job standards are developed. Some readers have felt that the series is too detailed for the average manager, but understanding job classification is important to hiring good people and keeping them productive. Too often, the wrong person in a job, or unclear assignments, can mean poor morale, poor productivity, and frustration for both manager and employee. And a poor standard can result in the poor performance of thousands or even hundreds of thousands of employees.

Developing the Draft Standards

In this third article on developing job standards we see how our occupational specialist, Bernice Butler, analyzes the information from her factfinding and develops draft standards for a General Schedule (GS) occupation.

She already has done quite a bit of analysis. During the factfinding Bernice developed and tested hypotheses about the characteristics of the work that distinguish it from related occupations, the levels of work within the occupation, the qualifications needed and how they may be acquired. She now must put all this information together in the GS classification framework.

First Step: Defining Job Boundaries

Take the mail and file occupation, for example. Bernice must determine the scope of the work and its relationship to other GS occupations. Proper recruitment, placement, and career advancement of mail and file employees depend upon how well she does her job—how clearly she can strike the distinction between this occupation and related ones requiring different qualifications. She considers not only what work is performed but also:

—Its purpose.

—How it is performed.

—What kinds of decisions are made.

—What *knowledges*, *skills*, and *abilities* (KSA's) are used.

—How those KSA's are acquired.

From this analysis she drafts a concise definition of the occupation in terms of the kind of work performed and the common core of KSA's required.

Second Step: Classification Standard

Bernice expands on her definition of the mail and file occupation to specify what work is and is not covered by the standard. She also briefly describes the occupation as it exists in the Federal Government and the varying work situations, technological changes, or other factors that may affect the nature and level of work performed. This information lets classifiers, managers, and employees understand how the work of a particular job relates to the total function.

For this occupation Bernice will describe the criteria for grading positions under the Factor Evaluation System (FES). She must analyze and describe mail and file work in terms of different levels in the following nine FES factors:

—Knowledge required.

—Supervisory controls.

—Guidelines.

—Complexity.

—Scope and effect.

—Personal contacts.

—Purpose of contacts.

—Physical demands.

—Work environment.

The grading section of an FES classification standard has two parts:

—Factor-level descriptions explain the particular levels within each of the nine factors in the occupation, and assign a point value to each level.

—Benchmarks describe typical positions in the occupation and the appropriate levels of the nine factors for such positions. They look like position descriptions.

Describing the Factor Levels

During the factfinding phase, Bernice explored the elements that distinguish different levels within each factor and the patterns in which they occur in different jobs. She now puts all of this information together to lay out the progression from the lowest to the highest level within each factor. She describes each level to show the common characteristics of that level and the elements that distinguish one level from another in the occupation.

As an example, the first two levels of Factor 7 (Purpose of Contacts) for the mail and file occupation are described as:

"Level 1. The purpose of contacts at this level is to obtain or exchange information regarding performance of functions in the immediate work unit . . . .

"Level 2. The purpose of contacts is to work with personnel in serviced units in resolving such operating problems as delays in receipt of materials, improperly coded or classified files or materials, and problems of similar difficulty, including inadequacy of existing file categories."

The most critical part of the analysis is to compare the progression

within each factor in this occupation to the factor level definitions in the Primary Standard. (The Primary Standard, which describes the levels of the nine factors in broad terms common to General Schedule occupations, serves as the "standard-for-standards.")

Carefully checking the factor-level descriptions for the mail and file occupation against the Primary Standard definitions assures proper grade alignment both within the occupation and across occupational lines. Bernice does this evaluation, then assigns the appropriate point values. She also compares her levels against those in standards for related occupations to assure consistency.

Developing Benchmarks

The analysis continues, as Bernice next decides the kinds and number of benchmarks she needs to develop to show how the factor levels apply to typical kinds of positions in the mail and file occupation. There are no rigid rules for this determination. The basic goal is inclusion of enough benchmarks to provide the guidance needed for accurate and consistent classification of positions in the occupation. Typically there will be 12 to 16 benchmarks, but some occupations will need fewer and some may need more.

Third Step: Qualification Standard

Bernice now turns to the qualification standard, which will determine who is eligible to compete for positions in the mail and file occupation. In the qualification standard she defines the basic requirements for each grade, and any permissible substitutions for those requirements. The requirements must be met both by outside applicants and by employees competing under merit promotion programs.

Much of Bernice's work in defining the occupational boundaries of step one and establishing the grading criteria of step two carries over to her development of the qualification standard. However, the knowledges, skills, and abilities (KSA's) reflected in the classification criteria are those that are applied by an experienced worker performing at an acceptable level of competence. In the qualification standard, Bernice must further identify, for each grade level:

—Those KSA's that applicants must bring to the job, as distinguished from those that will be acquired on the job.

—The KSA's required for minimum acceptable performance, and the additional or higher levels of KSA's that are associated with superior performance.

—The various kinds and levels of experience and training or education that provide the KSA's needed.

During her factfinding interviews, Bernice investigated the qualifications needed and how they could be acquired. She obtained information on the background of employees at different levels of performance. She applied her own analysis of the work and her knowledge of related occupations to identify additional kinds of experience or education that could provide the qualifications needed, to avoid biased or unnecessarily restrictive requirements. She tested her conclusions during subsequent interviews to develop a consensus among those who know the work thoroughly.

Although these informed opinions carry considerable weight, they must also be supported by factual information linking the qualification requirements to the work performed.

To establish this linkage for the mail and file occupation that is her current concern, Bernice lays out the following for the different levels of work:

—The significant work activities.

—The KSA's required to perform each activity, as evidenced by specific examples of work demonstrating how the KSA's are applied, samples of guidelines applied, work products, etc.

—The extent to which those KSA's are acquired after initial entry, based on analyses of agency training programs and normal on-the-job orientation and training.

—The types and levels of experience and training or education that provide the KSA's needed to meet job requirements.

When she has completed this analysis, Bernice consults a personnel psychologist about how to measure the degree to which applicants have these qualifications. The psychologist reviews the nature and level of KSA's required and advises Bernice of the appraisal method or combination of methods to be used in evaluating and ranking applicants (e.g., evaluation of prior experience and training, written or performance tests). Similarly, Bernice furnishes the job analysis information pertaining to working conditions and significant work activities to a medical officer who determines the physical requirements for the work.

Bernice reflects the results of these analyses in the draft qualification standard. She includes a brief description of the work, the minimum qualification requirements for each grade, the basis for ranking applicants, physical requirements, and any other information that will be helpful in evaluating applicants.

Releasing the Draft Standards

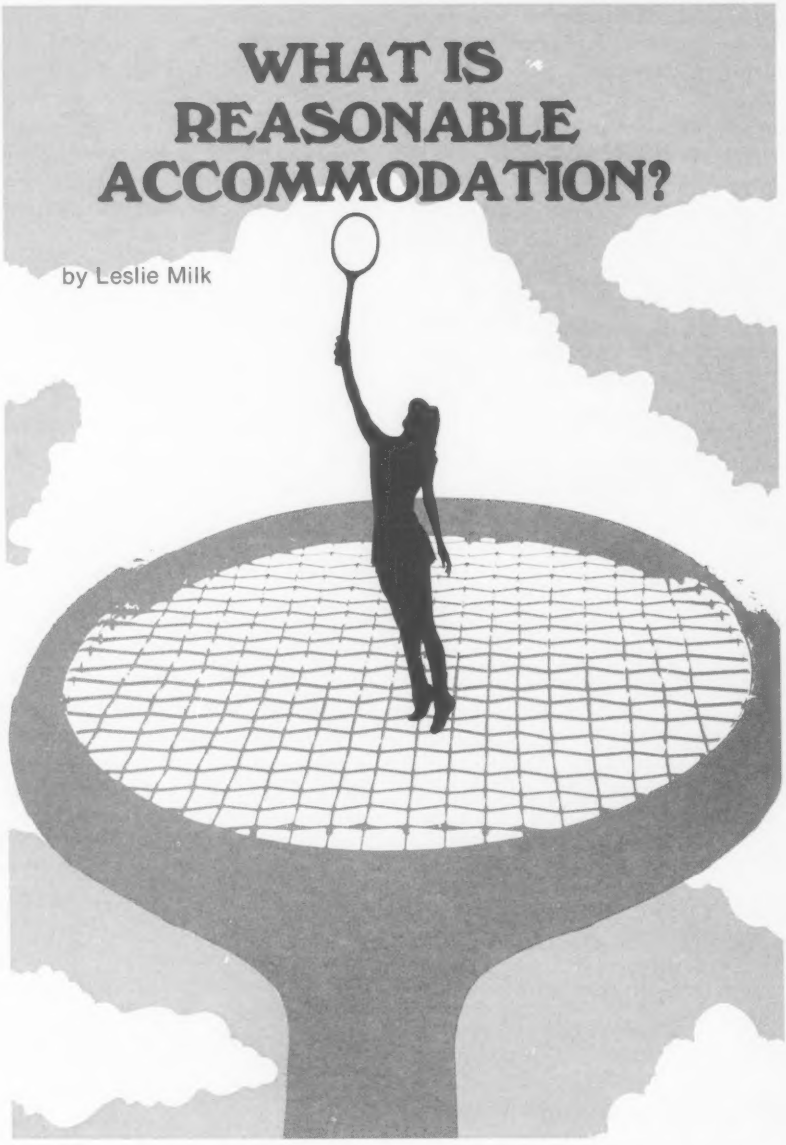
Her section chief thoroughly reviews the completed draft standards and usually asks for a review of the classification standard by a panel of occupational specialists. This assures that it is clear and complete enough so that any classifier anywhere can apply it accurately and consistently. After Bernice makes any needed changes, her section chief releases the draft standards to agencies, unions, and others for review and comment.

In the next article we will follow Bernice as she drafts standards for a Federal Wage System occupation. The draft standard review process and preparation of the final standards will be covered in the last article in this series.

—Mary Diley

WHAT IS REASONABLE ACCOMMODATION?

by Leslie Milk



AS AN INDIVIDUAL with a minor handicap, I have never required reasonable accommodation—until I got onto the tennis court. Then I rapidly learned what all the shouting is about. I have a paralyzed left arm as a result of a birth injury and have used it as an excuse to avoid athletic pursuits all of my life. But working with the disabled community introduced me to blind people who ski, wheelchair athletes who go backwards down escalators, troupes of deaf dancers . . . my lack of prowess was beginning to get embarrassing.

So I enrolled in a tennis class. It did not seem like much of a risk. Tennis is basically a one-handed game and the court didn't seem to have too many obstacles to fall over.

I should have known I was in for trouble when my instructor, Bobby, appeared. Something should have warned me not to trust anyone over thirty who leaps over nets and has HEAD embroidered over his heart. He began the lesson with an introduction to "the serve" and right away things started going downhill. You see the serve is a two-armed exercise. You raise the racket high with one hand and the ball high with the other. Easy for Bobby—impossible for me.

But I did not panic. After all, I am an expert in job accommodation. So I interrupted Bobby and informed him calmly that I couldn't serve his way but that I had already created my own accommodation and I would bounce the ball to serve it over the net.

Bobby stopped in mid-pivot. And in shocked tones he replied, "There are no bounces in tournament tennis."

I was enormously flattered. Up until that moment I hadn't seen myself as a threat to Chrissie Evert. So I told Bobby and the now-starting tennis class that I didn't think that tournaments were going to be a problem for a while and so if he didn't mind I would continue to bounce the ball.

Bobby looked puzzled. Even *The Inner Game of Tennis* had never prepared him for a situation like this. Finally an idea reached him like a flash of light and he shouted in amazement, "You're impaired! Well, let's see what you can do . . . I've never had to deal with an impairment quite like yours before . . . I guess you better do it any way you can."

At that point I was ready to abandon athletics, but one thing kept me on that tennis court. It wasn't my belief in mainstreaming or my shame at having to face my friends a failure. You see, I had already purchased the little white dress . . . and the little white shoes with the stars . . . and the little white sox with pom poms, not to mention the sweat bands, the racket, the cover, and Bobby. I couldn't afford to quit.

Bobby and I did fine after a while. But I learned more about accommodation than I did about tennis in that lesson. Because everytime I tell that story, there is one person who tells me that Bobby was wrong to bend the rules for me. There is always someone who "once knew a guy who threw the ball up with his good arm and then grabbed the racket and hit it

with the same arm." This theory would say that I can play tennis only if I am willing and able to play exactly the way everyone else plays.

Inner Game of Accommodation

Reasonable accommodation allows that if I can play with minor modification, then I can play along with everyone else. It sounds simple—because it is simple.

Yet no concept has stymied more reasonable people than the "reasonable accommodation" provisions in the regulations governing employment, under the Rehabilitation Act of 1973.

The regulation for contractors states that "a contractor must make reasonable accommodation to the physical and mental limitations of an employee or applicant unless the contractor can demonstrate that such an accommodation would pose undue hardship on the contractor."

This means the provision of an accessible work environment, modification of the job or the worksite, and provision of auxiliary aids to enable a qualified handicapped person to perform the necessary job functions.

The regulation for section 504, subpart B, which covers employment for organizations receiving Federal assistance, is similarly worded. But what is reasonable and who is qualified? These are two questions that seem to come up more often than any others.

Mainstream, Inc., has been working in this field for nearly 2 years. In that time we have made three discoveries about reasonable accommodation:

(1) Accommodations were not invented for the handicapped.

(2) Accommodations need not be expensive.

(3) Most accommodation takes place on paper—not on the job.

An accommodation is simply an alteration in the job, the job conditions, or the jobsite to meet the specific requirements of an individual job holder. Every secretary who uses a special posture chair, every executive who works with piped-in music, every employee who benefits from air-conditioning, lunch rooms, or flexible working hours is, in fact, enjoying a job accommodation.

Imaginative Accommodation

In the case of disabled people, the accommodation just takes a more visible form—a desk up on blocks to accommodate a wheelchair user or an amplifier on the telephone of a hearing-impaired employee. In our experience, most of these jobsite modifications require more imagination than expense.

Kali Mallik of the George Washington University Job Development Laboratory illustrated this point at a workshop last year when he asked participants to design a modification for a xerox operator. The employee in question can operate the machine, but cannot stand for long periods of time. Personnel people in the room rivaled each other in their creative approaches to the problem. Rube Goldberg would have been proud.

Mallik's answer was simple, "Give the man a chair."

Certainly there are disabled people for whom more extensive modification of jobsite or equipment is necessary. But the employer is rarely left to carry the financial or the physiological burden alone. State rehabilitation agencies, insurance companies, and service organizations can often provide both the equipment and the funding to accommodate the handicapped employee.

Access and Auxiliary Aids

An accessible work environment is part of the "reasonable accommodation" the law requires. When this first became public, many employers had visions of tearing down buildings to accommodate disabled people. Mainstream quickly exposed the reports of the high cost of accessibility as more fear than fact.

After surveying more than 100 commercial facilities, we can report that the cost of creating accessible work places is approximately 1¢ per square foot. This cost can be compared to the 17¢ per square foot that corporations spend to clean their vinyl floors. And very few claim that they cannot afford a clean floor!

Auxiliary aids can also be a form of accommodation. Readers for blind employees, interpreters for the deaf, or mechanical aids to assist disabled people in their work can and should be provided, unless the aids constitute an undue hardship to the employer.

Here, too, imagination is more important than expense. Volunteer readers are often available from service providers—or other staff members may be willing to tape materials for blind employees. Rather than hiring a full-time interpreter, it might be better to offer a lunch hour course in sign language for all of the co-workers of a deaf employee.

And just because a mechanical aid exists, that doesn't mean that every disabled person wants or needs it. I know that somewhere there is a one-handed typewriter, but this article is being written on a standard IBM electric. I'm accommodating.

Matchmaking for Accommodation

The key to the whole process is just this matching of skills and job tasks. It begins before the applicant ever walks into the personnel office—it begins with detailed job descriptions.

Take a job like "copier machine operator." You need to know exactly what this person will be required to do. Will he or she just run off copies? Or will the operator be responsible for collating, for fixing the machine if it gets stuck, for delivering copies to other offices around the building? Will the operator need to stand, stoop, understand machinery, cover large areas of a building?

Before you can decide if an applicant is qualified, you need to know all of these things about the job and the

qualifications you need. You will also need to know which are integral job functions and which are secondary functions. This is an essential step in restructuring a job for a handicapped person.

For example, in one metal refining plant, keypunch operators have always been required to run messages throughout the plant. The plant manager, therefore, refused to hire a keypunch operator in a wheelchair. It was suggested that delivery chores were secondary. A mobility-impaired operator could handle telephone duties instead of delivery chores—thus equalizing the workload. The essential function of the job—operating the keypunch machine—remains unchanged.

The most constructive form of job accommodation occurs when employer and potential employee sit down together and discuss the job (with the aid of the detailed job description) and then talk about the accommodations that may be required.

Success Stories

What kinds of accommodations are recommended through this process? Let me provide some examples from Mainstream's files:

☐ A legally-blind factory worker was advised that requesting day shift work was a reasonable accommodation, since his vision deteriorates sharply after dark.

☐ A worker with epilepsy was not required to rotate shifts frequently, although other workers are required to do so. (Some persons with epilepsy, diabetes, and some other conditions respond badly to frequent changes in schedule.)

☐ A university provided an air-conditioned workspace for a worker with a respiratory condition, although this was an exception to the school's energy conservation program.

☐ A woman using leg braces received permission to park close to the building entrance (many organizations reserve this right to persons using wheelchairs, although other people have equal difficulty with mobility).

Reasonable Accommodation in the Federal Government

Reasonable accommodation provisions also are included in the regulations and instructions that apply to Federal Government employment. This is mandated by section 501 of the Rehabilitation Act, in the same way as the regulations described in the article on these pages apply to Federal contractors and to employers receiving Federal assistance.

Ms. Milk vividly expresses the meaning of the concept of reasonable accommodation—and its simplicity. This article should hold much interest for Federal managers in helping them to assess their atitudes toward handicapped people and to take positive actions toward their recruitment, placement, and advancement in the Federal service.

Hedwig Oswald
Director, Office of Selective Placement
U.S. Civil Service Commission

☐ An alcoholic was permitted to take extended leave without pay to participate in a structured treatment program.

☐ A mobility-impaired assembly line worker was moved to a station near the door, so that she would not be jostled during the rush to lunch or breaks.

Accommodation, Not Discrimination

This is the way it works, when it works. But what happens when it doesn't work? Forty percent of the complaints filed under section 503 involve alleged discrimination in the hiring process. Very often, better communication could have eliminated confrontation. Interviewers and personnel specialists need to know more about their job orders and job accommodations.

We also need to eliminate the assumptions about disabled people in the marketplace. Labels like "the blind," "the deaf," or "the mentally retarded" are virtually useless in evaluating a person for employment. The only way to eliminate discrimination in employment is to eliminate all assumptions about groups of people whether they are handicapped, women, minorities, people over 40, or people with blue eyes.

Those assumptions have dangerous consequences—and they almost cost me a career. When I was in journalism school, it was assumed that all journalists must be crackerjack typists. Obviously, the powers that be had never seen Clark Gable in *Front Page*. Or heard the women's movement adage that if you can type, someone is certain to let you do it.

Anyway, I reached 2 weeks before graduation when I was informed that I would be expected to pass a typing test to earn my degree. Either I could type 30 words a minute, or I could skip graduation.

I was lucky. As the recipient of a New York State Vocational Rehabilitation scholarship, I had a powerful ally in my fight to graduate as a less than flawless typist. In fact, the State of New York informed the University that they had invested a great deal in this neophyte journalist and they didn't care if I carved my stories on stone tablets—they wanted me to get that degree.

Today, I can type as well as most journalists. Not that it matters much, since most journalists use tape recorders these days—a job accommodation to the generations of writers who suffered from terminal writer's cramp.

Like most other disabled people, I keep accommodating and I keep getting by. And as a tennis player, I can bounce with the best of them. CSJ

The Author is Executive Director of Mainstream, Inc., a nonprofit organization promoting the mainstreaming of handicapped people in employment. The article and art are reprinted courtesy of *Disabled USA*, magazine of the President's Committee on Employment of the Handicapped, Vol. 1, No. 8, 1978.

The New and the Novel

The following is a list of publications that may interest you.

Beyond the BA. Intended as a handout for people with experience or education beyond the bachelor's degree level, but with undetermined job interests. Describes opportunities by specialization, examination announcements to ask for, and examples of qualifying experience for GS-9, 11, and 12 positions. Also discusses the Cooperative Education Program. (006-000-01047-4) $.65

Current Status of Public Management Research. Report of a study by Georgetown University's Public Services Laboratory on public management research being conducted by the Federal Government. (See the July/September issue of the *CSJ* for further information on the study.) Limited copies of the report are available from CSC, BIPP, 1900 E St. NW., Washington, D.C. 20415.

Incentive Awards Catalog. Lists publications and other aids relating to the Federal Incentive Awards Program, and tells how to obtain them. For anyone involved in running an incentive awards program. Available from CSC, Office of Incentive Systems, 1900 E St. NW., Washington, D.C. 20415.

1977 Annual Statistical Report. Gives statistical indicators for self-evaluation of State and local personnel systems. Helps rate effectiveness of merit system operations by allowing comparison of local agency data to national norms. Available from CSC, BIPP, 1900 E St. NW., Washington, D.C. 20415.

Permanent Part-time Employment: The Manager's Perspective. Report by Georgetown University's School of Business Administration on a study in 68 corporations on the relative benefits and costs of employing part-time workers. Available from the National Technical Information Service, Springfield Va. 22151. (Accession Number PB 268 390/AS) $6.50

Placing Minority Women in Professional Jobs. A handbook, based on a pilot program to test outreach in several cities, designed to help place minority women in managerial, professional, and technical jobs. Outlines seven methods successfully used to locate and place minority women. (029-000-00303-3) $2.40

Productivity and the Quality of Working Life—Personnel Bibliography Series Number 92. A list, by subject, of articles and books from 1977, covering organizations, motivation, job satisfaction, and productivity. (006-000-01048-2) $2.30

Union Recognition in the Federal Government. Gives information on exclusive recognitions granted and agreements negotiated by Federal departments and agencies. Lists the 3,507 units of recognition in the Federal Government, labor organization and union local with recognition, number and type of employees in unit, and effective and expiration dates of the negotiated agreement (if any). (006-000-01050-4) $8.75

Where To Find BLS Statistics on Women. Summarizes statistics on working women. Available from the Bureau of Labor Statistics (BLS). Tells where the statistics can be found, and how to get them. Available from Inquiries and Correspondence, Bureau of Labor Statistics, Washington, D.C. 20212. (Report 530)

Editor's Note: After we went to press with the last issue, a change was made in the inventory stocking arrangements for *Discrimination Complaint Procedures for Handicapped Employees and Applicants for Federal Employment.* It will not be available from GPO. Single copies are available from CSC, Selective Placement Office, Room 6514, 1900 E St. NW., Washington, D.C. 20415.

—Howard Stevens

Unless otherwise noted, these publications are available from U.S. Government Printing Office, Public Documents Department, Washington, D.C. 20402. GPO stock numbers and single issue prices follow the above listings. When this information is not shown, the publication had not been printed at *Journal* presstime, so the stock numbers and price were not known. Once GPO prints the publication, that information can be obtained by calling (202) 783-3238. Prices for bulk orders of the publications can be obtained at the same number.

A more thorough listing of new publications in the field of personnel administration is the monthly periodical, *Personnel Literature.* It lists books, magazine and journal articles, and other material by subject. A year's subscription costs $12.25 and can be ordered from GPO at the above address.

To receive a free monthly listing of all Bureau of Labor Statistics publications, write to: Bureau of Labor Statistics, U.S. Department of Labor, Room 1539, GAO Bldg., Washington, D.C. 20212.

"...career executives have either become or must become integral figures in the society where they live and work."